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BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION
DOCKETS

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Application of

BOSTON-MAINE AIRWAYS CORP.

for issuance of a certificate of public convenience and
necessity pursuant to 49 U.S.C. § 41102

Docket OST-00-

7668-1

APPLICATION OF
BOSTON-MAINE AIRWAYS CORP.

Communications with respect to this document should be sent to:

John R. Nadolny
Senior Vice President and
General Counsel
BOSTON-MAINE AIRWAYS CORP.
Pease International Tradeport
14 Aviation Avenue
Portsmouth, NH 03801
(603) 766-2000

Nathaniel P. Breed, Jr.
SHAW PITTMAN
2300 N Street, N.W.
Washington, D.C. 20037
(202) 663-8078

Attorneys for
BOSTON-MAINE AIRWAYS CORP.

NOTICE: Boston-Maine requests that this Application be processed pursuant to the expedited procedures established by 14 CFR Part 302, Subpart B. Any person may file an Answer to this Application with the DOT's Docket Section and must serve all persons named on the attached Service List. Answers to this Application are due to be filed on or before August 9, 2000.

July 19, 2000
959279

BOSTON-MAINE AIRWAYS CORP.
Section 41102 Certificate Application

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BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Application of

BOSTON-MAINE AIRWAYS CORP.

for issuance of a certificate of public convenience and
necessity pursuant to 49 U.S.C. § 41102

Docket OST-00-_____

July 19, 2000

**APPLICATION OF
BOSTON-MAINE AIRWAYS CORP.**

Boston-Maine Airways Corp., d/b/a Pan Am Services ("BMAC") hereby applies, pursuant to 49 U.S.C. §41102 of the Federal Aviation Statutes, Subpart B of the Procedural Regulations and Section 204.3 of the Economic Regulations of the Department of Transportation (the "Department"), for issuance of a Certificate of Public Convenience and Necessity authorizing BMAC to engage in interstate scheduled service operations.

In support of this Application, BMAC states as follows:

I. **INTRODUCTION AND SUMMARY.**

BMAC is a wholly-owned subsidiary of Pan American Airlines, Inc. ("PAA"), a holding company which also owns Pan American Airways Corp. ("Pan Am"). Pan

Am is a certificated air carrier which is currently operating interstate scheduled services and interstate and foreign charter services utilizing a fleet of Stage 3-compliant Boeing B-727-200 aircraft (see Orders 99-8-15, served August 19, 1999 and Order 99-9-8, served September 9, 1999).

BMAC was formed by PAA and incorporated as a New Hampshire corporation in March 1999. BMAC commenced small-aircraft operations under Part 298 of the Department's Economic Regulations and Part 135 of the Federal Aviation Regulations (Certificate No. B16A009J) in June 1999, and subsequently acquired U.S.-Canada transborder charter authority from the Canadian NTA in September 1999. At the present time, BMAC is engaged in performing passenger charter operations utilizing three leased 19-passenger British Aerospace Jetstream 3100 aircraft and all-cargo charter operations utilizing two leased CASA-212 twin turboprop freighter aircraft having a maximum payload capacity of 6,000 pounds.

The purpose of this Application is to enable BMAC to perform scheduled passenger operations with Jetstream 3100 aircraft in various interstate city-pair markets, both in conjunction with the large-aircraft scheduled service operations of Pan Am, and as separate stand-alone operations, as described in this Application.

II. PROPOSED SERVICE AND FITNESS DATA

The following sections of BMAC's Application and attached Exhibits furnish BMAC's responses to the mandatory information required of all applicants for new

certification pursuant to Section 204.3 of the Department's Economic Regulations, presented in the same sequence as those requirements are set forth in Section 204.3, and cross-referenced to the sub-sections of Section 204.3.

1. Name, address and telephone number.
(§204.3(a))

BOSTON-MAINE AIRWAYS CORP.
14 Aviation Avenue
Portsmouth, NH 03801
Tel. (603) 766-2117
Fax (603) 766-2225

2. Form of Organization
(§204.3(b))

BMAC is a corporation. Copies of BMAC's Articles of Incorporation and By-laws are contained in Exhibit BMA-121, infra.

3. State where incorporated
(§204.3(c))

BMAC is organized under the laws of the State of New Hampshire.

4. Certificate of Good Standing
(§204.3(d))

A Certificate of Good Standing issued on July 14, 2000 by the New Hampshire Secretary of State, confirming that BMAC is in good standing and is authorized and competent to transact business in the State of New Hampshire, is set forth in Exhibit BMA-118, infra.

5. Citizenship
(§204.3(e))

BMAC is a citizen of the United States, as defined in 49 U.S.C. § 40102(a)(15). An affidavit attesting to the U.S. citizenship of BMAC is contained in Exhibit BMA-117. Factual information supporting that assertion is contained in Exhibits BMA-112 and BMA-113.

6. Key Personnel
(§204.3(f))

At the present time, the management group at BMAC includes the following individuals:

<u>Name</u>	<u>Title</u>	<u>Citizenship</u>
Timothy Mellon	Chairman of the Board	U.S.
David A. Fink	President	U.S.
John R. Nadolny	Senior Vice President, General Counsel & Secretary	U.S.
Joseph L. Carey	Treasurer	U.S.
Gordon R. Long	Vice President, General Manager and Director of Operations	U.S.
John J. Hughes	Chief Pilot	U.S.
Hobart T. Livingston	Director of Safety	U.S.
Douglas A. Alm	Director of Maintenance	U.S.

James W. Herring

Chief Inspector

U.S.

At this time, Messrs. Mellon and Fink are the only active members of the board of directors of BMAC.¹

Copies of the biographical resumes and other information required by Section 204.3(f) of the Economic Regulations relating to each of BMAC's present officers and directors are set forth in Exhibit BMA-112, infra.

7. Persons having a substantial interest in Applicant
(§204.3(g))

PAA currently owns 100 percent of the issued and outstanding voting stock of BMAC. PAA is owned by Messrs. Mellon and Fink, who own 94.2 percent and 5.2 percent, respectively, of PAA's outstanding common stock. The information required by Section 204.3(g) with respect to PAA and its owners is contained in Exhibit BMA-113. No other person or organization holds a "substantial interest" in BMAC within the meaning of Section 204.2(m) of the Economic Regulations.

8. Subsidiaries
(§204.3(h))

BMAC has no subsidiaries.

9. Other Relationships
(§204.3(i))

¹ At the time of BMAC's initial incorporation, two other individuals – D. Armstrong Fink (who is the son of David A. Fink) and Richard S. Kelso – were designated as directors of BMAC (Exhibit BMA-121, p.3), but they have not subsequently participated as active members of BMAC's board of directors.

BMAC holds no shares of stock in, and does not control, any air carrier, foreign air carrier, common carrier, or person substantially engaged in the business of aeronautics. Through its parent corporation, PAA, BMAC is under common ownership with Pan Am, which is a certificated air carrier.

10. Financial Statements
(§204.3(j))

BMAC is a privately-owned corporation. For that reason, BMAC is not required to file Form 10-K Reports with the Securities and Exchange Commission. BMAC's current Balance Sheet as of June 30, 2000 is set forth in Exhibit BMA-108, infra. A Profit and Loss Statement for BMAC for the 6-month period ended June 30, 2000 is set forth in Exhibit BMA-109, infra. To the extent that Pan Am is viewed as a "relevant corporation" for purposes of this application, its financial reports and other ownership and fitness-related information is on file with the Department in Pan Am's Form 41 reports and in Docket OST-99-5945.

11. Pending actions and outstanding judgments
(§204.3(l) and (m))

a. There are no pending actions or outstanding judgments involving an amount in excess of \$5,000 against BMAC, any other relevant corporation or any key personnel employed by BMAC or any relevant corporation, or any person having a substantial interest in BMAC or any relevant corporation.

b. The total number and aggregate amount of all pending actions or outstanding judgments of less than \$5,000 against BMAC, any other relevant corporation, and each of their key personnel or persons holding substantial interest in such corporations, is zero.

12. Current aircraft fleet and acquisition plans
(§204.3(n))

a. Current aircraft fleet.

BMAC currently leases three (3) British Aerospace Jetstream 3100 turboprop aircraft, configured to carry 19 passengers, and two (2) CASA-212 twin turboprop freighter aircraft, having a maximum cargo payload of 6,000 pounds (Exhibit BMA-101, infra).

All five of BMAC's aircraft are leased from Guilford Transportation Industries, Inc. ("Guilford"). Guilford, which is principally owned by Messrs. Mellon and Fink, is engaged in railroad operations and related activities primarily in the eastern United States. A redacted copy of two Aircraft Lease Agreements between Guilford and BMAC, relating to the Jetstream 3100 aircraft and the CASA-212 aircraft, respectively, each of which is approximately 50 pages long, are being submitted under separate cover to the Department's Fitness Division.² A redacted copy of each Lease will be made available upon request to any person served with a

² The only redacted material pertains to certain lease price information which BMAC regards as confidential and proprietary.

copy of this Application. An affidavit verifying that the Jetstream 3100 and CASA-212 aircraft currently leased by BMAC have been certified by the Federal Aviation Administration and currently comply with all FAA safety and noise emission standards is contained in Exhibit BMA-103, infra.

b. Planned aircraft acquisitions.

BMAC plans to lease seven (7) additional Jetstream 3100 aircraft during the remainder of calendar year 2000 and thereafter. BMAC plans to conduct its planned initial first-year scheduled service operations serving the Portsmouth-Bangor market utilizing only the three Jetstream 3100 aircraft in its current fleet. That fleet will be expanded to a total of five or six Jetstream 3100 aircraft prior to inauguration of Sanford-Ft. Myers service in March 2001. If requested to do so, BMAC will advise the Department's Fitness Division as additional aircraft are acquired.

c. Capital Financing Plan.

BMAC plans to satisfy its requirement for working capital to support its establishment and expansion of scheduled service operations from two principal sources: (1) its own existing working capital resources, including cash, accounts receivable and assets held for sale, amounting to \$786,700 and (2) a \$500,000 line of credit facility provided by its parent corporation, PAA (Exhibit BMA-108). The ability of PAA to provide financial support in the amount of \$500,000 to its wholly-owned subsidiary, BMAC, is evidenced by PAA's very strong Balance Sheet as of December

31, 1999 (Exhibit BMA-110). BMAC also generates a modest positive cash flow from its profitable and ongoing passenger and charter operations (Exhibit BMA-109).

As reflected in the cited exhibits, the sum total of capital resources available to support the scheduled service operations of BMAC amounts to \$1,286,700. As noted below, that total exceeds BMAC's working capital requirement under the Department's financial fitness test by \$617,199 (Exhibit BMA-111).

13. Pending Investigations, Enforcement Actions and Formal Complaints
(§204.3(o))

There are no pending investigations, enforcement actions, or formal complaints, filed by the DOT or FAA, involving BMAC, or any relevant corporation, or any personnel employed by BMAC, or any relevant corporation or person having a substantial interest in any relevant corporation, regarding compliance with the Act, or orders, rules, regulations or requirements issued pursuant to the Act.

14. Unfair, Deceptive or Anticompetitive Business Practices;
Antitrust, Fraud and Felony Charges (10 years)
(§ 204.3(p))

Neither BMAC, nor any relevant corporation, nor any person employed by BMAC, nor any person having a substantial interest in BMAC or any relevant corporation, has been charged with any unfair or deceptive or anticompetitive business practices, or of fraud, felony or antitrust violations, during the past 10 years.

15. Aircraft Accidents and Incidents
(§204.3(q))

Neither BMAC, nor any relevant corporation, nor any person employed by BMAC, nor any person having a substantial interest in BMAC or any relevant corporation, has been involved in any aircraft accident or incident which occurred during the past year, or at any time in the past and which remains under investigation by the FAA, NTSB or BMAC itself.

16. Narrative History of Applicant
(§204.3(r))

BMAC was initially organized by its parent corporation, PAA, in March 1999, and it was incorporated as a New Hampshire corporation on March 22, 1999 (Exhibit BMA-121). As described above, BMAC is a wholly-owned subsidiary of PAA. BMAC obtained its initial operating authority from the Department to conduct small-aircraft passenger and cargo charter operations under Part 298 of the Department's Economic Regulations effective on May 10, 1999 (Exhibit BMA-114), and was issued an Air Carrier Certificate under FAR Part 135 by the Federal Aviation Administration (the "FAA") on June 16, 1999 (Exhibit BMA-115). GMAC subsequently obtained a Class 9-4 Operating License from the Canadian Transportation Agency (the "CTA") on September 17, 1999, authorizing it to provide passenger and cargo charter flights between the U.S. and Canada (Exhibit BMA-116).

The initial revenue operations conducted by BMAC were limited to ad hoc cargo charter flights utilizing the CASA-212 twin turboprop freighter aircraft. In September 1999, BMAC entered into a contract with a major U.S. air express carrier

to perform five-day-a-week cargo charter flights each night over a roundtrip routing from Burlington, VT to Albany, NY to Rochester, NY to New York (JFK) and back to Burlington. That contract continues in force to date. BMAC continues to perform ad hoc cargo charter flights with the CASA-212 aircraft for customers who generally have critical time-sensitive delivery requirements or unusual dimensional freight requirements which are well-suited to the unique lift and cubic foot dimensional capabilities of the CASA-212 aircraft.

In May 2000, BMAC initiated passenger charter operations with one British Aerospace Jetstream 3100 aircraft configured to carry 19 passengers. BMAC subsequently acquired two additional Jetstream 3100 aircraft and continues to perform both ad hoc and contract passenger charter flights with its current fleet of three Jetstreams, primarily for corporate and tour operator customers, including a major U.S. defense contractor and an Atlantic City casino. The current charter operations conducted by BMAC are profitable (see Exhibit BMA-109).

17. Federal, State and Foreign Authority Held and FAA Jurisdiction
(§204.3(s))

At the present time, BMAC holds the following federal, state or foreign authority to engage in air transportation:

1. Part 298 Air Taxi Exemption, issued by the DOT on May 10, 1999.
2. Part 135 Air Carrier Certificate, number B16A009J, issued by the FAA on June 16, 1999.

3. Canadian Class 9-4 Operating License, number 990126, issued by the Canadian CTA on September 17, 1999.

Copies of each of the foregoing authorizations are contained in Exhibits BMA-114, 115 and 116, infra. BMAC is currently in the process of applying for Part 121 Air Carrier Certification by the FAA.

The Federal Aviation Administration office which has primary jurisdiction over BMAC's operations is:

Mr. Anthony Liquori, Manager
Flight Standards District Office 5
FEDERAL AVIATION ADMINISTRATION
2 Al McKay Avenue
Portland, ME 04102
(217) 780-3263

18. Proposed Service Plan and Forecasts
(§204.3(t))

- a. Proposed Service Plan

As noted above, the current operations of BMAC are limited to passenger charter flights operated with the Jetstream 3100 19-passenger aircraft and cargo charter flights operated with the CASA-212 freighter aircraft.

BMAC desires to expand its operations to include scheduled passenger operations utilizing the Jetstream 3100 aircraft in various interstate markets, beginning in October 2000, subject to the receipt of requisite DOT and FAA authorizations.

BMAC plans to conduct its initial scheduled operations in one market -- Portsmouth (PSM) – Bangor (BGR) -- beginning on October 15, 2000, and to commence operations in a second market -- Orlando/Sanford (SFB) – Ft. Myers (RSW) -- on March 1, 2001. As shown in the flight schedule set forth in Exhibit BMA-100, BMAC plans to operate three roundtrip flights a day, seven days a week between Portsmouth and Bangor. Beginning on March 1, 2001, BMAC plans to operate four roundtrip flights a day between Sanford and Ft. Myers, with two flights operated five days a week and the other two flights operated seven days a week.

Both of the foregoing schedules will be operated utilizing two Jetstream 3100 aircraft in each market, with a third aircraft available to perform extra-section flights and as a maintenance spare in each market, as needed.

b. First Year Financial and Traffic Projections

Based on its projected first-year operating plan, BMAC expects to carry a total of 40,682 passengers, generating \$3,391,251 in revenues, during the 12-month period from October 2000 through September 2001(Exhibit BMA-105). In accordance with Sections 302.202(d) and 313.4 of the Procedural Regulations, BMAC projects that its proposed scheduled service operations will require a total of 296,200 gallons of jet fuel in the first year, based on an average fuel burn rate of 100 gallons per block hour (Exhibit BMA-104).

In Exhibit BMA-105, BMAC has submitted a detailed projection of its first-year forecast revenues and expenses attributable to its proposed scheduled service operations, broken down on a month-by-month basis and by market served.

As reflected in BMAC's projected first-year profit and loss statement, BMAC will generate gross transport revenues of \$3,391,251 during its first year of operations (Exhibit BMA-105). Based on its projected direct and indirect operating expenses, including projected monthly aircraft lease payments, and the fixed and variable expenses as shown in Exhibit BMA-105, BMAC projects that its initial operations will generate a first-year operating profit of \$1,449,248 (Exhibit BMA-105).

BMAC believes that its projected operating expenses are indisputably reasonable, inasmuch as that projection is based on its established experience with Jetstream 3100 operations. Thus, virtually all of BMAC's projected operating costs (flight crew cost, maintenance expense, fuel, airport facility leases, aircraft leases, insurance and G&A) are based on BMAC's own known or anticipated actual costs which will be incurred in its planned operations.

A projected pro forma Balance Sheet as of the end of BMAC's first year operations is set forth in Exhibit BMA-106. As indicated in that projection, BMAC anticipates that it will have ample working capital cash reserves throughout the year, and that its first year-end Balance Sheet will present a healthy working capital balance,

a favorable current assets to current liabilities ratio, and a positive net worth (Exhibit BMA-106).

c. Preoperating and Startup Expenses

BMAC estimates that its preoperating expenses associated with its preparations to commence its planned scheduled air transportation operations will amount to \$184,000, as itemized in Exhibit BMA-107. The majority of that expense is related to BMAC's shift to Part 121 certification, and a substantial part of that expense has already been incurred and paid.

d. Financial Fitness Test Analysis.

BMAC understands that the DOT has developed a financial fitness test to measure whether an applicant for initial certification will have sufficient capital reserves to withstand the possibility of adverse economic results during its initial period of operations. That test requires each applicant to demonstrate, through "independent, third-party verification":

"...that it has available to it resources (e.g., cash, lines of credit, bank loans) sufficient to cover all of its pre-operating costs plus a reserve equal to the projected operating expenses projected to be incurred by the applicant during three months of normal operations". (DOT Fitness Determination Pamphlet (December 1994 Revision)), p. 11, fn. 12).

BMAC further understands that the DOT has confirmed that the three-month financial fitness test period is to be based upon "one-fourth of the [applicant's] estimated first year expenses" (Order 93-9-22, p. 5, fn. 8).

BMAC's financial fitness test analysis is set forth in Exhibit BMA-111.

As shown in that exhibit, the combination of BMAC's projected preoperating expenses amounting to \$184,000, and one-fourth of its total projected operating expenses for its first year of scheduled service operations amounting to \$485,501, produces a total working capital requirement of \$669,501.

Based on the amount of capital which BMAC currently has available, and a \$500,000 credit facility available to BMAC from its parent corporation, PAA, BMAC has a total of \$1,286,700 in available capital to finance its first year of scheduled service operations. That level of capitalization exceeds BMAC's capital requirement under the DOT's three-month financial-fitness test by \$617,199 (Exhibit BMA-111).

19. Waiver of Warsaw Liability Limits and Defenses
(§204.3(u))

A signed counterpart of CAB Agreement 18900 (OST Form 4523), executed by Mr. Fink, President of BMAC, is set forth in Exhibit BMA-120.

20. Officer's Certification
(§204.3(v))

A certification in the form set forth in Section 204.3(v) of the Economic Regulations, executed by Mr. Nadolny, Senior Vice President, General Counsel and Secretary of BMAC, is set forth in Exhibit BMA-119.

III. REQUEST FOR EXPEDITED NONHEARING PROCEDURES

BMAC urges that the authority at issue be considered and granted pursuant to expedited non-hearing procedures under Subpart B of the DOT's Procedural Regulations. The authority at issue is relatively limited and wholly non-controversial in nature, and does not involve any limited-entry authority in any market. BMAC's fitness for certification to provide scheduled interstate air transportation is clearly established by the evidence submitted in this application. Accordingly, BMAC submits that this application presents no issues of material fact, or other complex issues of law or policy, for which an oral evidentiary hearing would be necessary or appropriate. Use of non-hearing procedures will also serve the public interest by making the most efficient use of the DOT's staff and resources.

BMAC presently plans to commence scheduled service operations on October 15, 2000, assuming that it can complete the DOT and FAA certification process prior to that date. Consistent with that objective, BMAC respectfully urges the DOT to expedite the processing of this Application so as to permit the issuance of a Final Order on or before September 30, 2000.

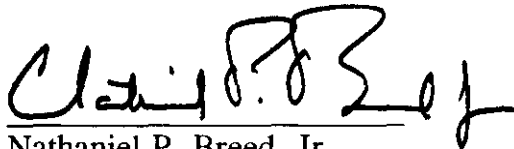
IV. CONCLUSION

BMAC respectfully submits that the foregoing information and attached exhibits constitute a complete and detailed response to all of the evidentiary requirements of Section 204.3 of the Economic Regulations, and fully demonstrate that

BMAC is fit for certification to engage in scheduled interstate air transportation operations as proposed in this application.

WHEREFORE, BMAC respectfully requests the Department to issue a certificate of public convenience and necessity to BMAC authorizing it to provide scheduled interstate air transportation of persons, property and mail between points in the United States, as described herein. BMAC further respectfully requests that such authority be granted in time to enable BMAC to commence scheduled operations on October 15, 2000.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nathaniel P. Breed, Jr.", with a stylized flourish at the end.

Nathaniel P. Breed, Jr.
SHAW PITTMAN

Attorneys for
BOSTON-MAINE AIRWAYS CORP.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Application of Boston-Maine Airways Corp. by messenger, telecopier transmission or United States mail, properly addressed and with postage prepaid, upon each of the persons listed in the Service List attached hereto.


Shelle C. Mays

Washington, D.C.
July 19, 2000

SERVICE LIST - - (Docket OST-00- 7448)

John R. Nadolny
Senior Vice President and
General Counsel
BOSTON-MAINE AIRWAYS CORP.
Pease International Tradeport
14 Aviation Avenue
Portsmouth, NH 03801

Mr. Anthony Liquori, Manager
Flight Standards District Office 5
FEDERAL AVIATION
ADMINISTRATION
2 Al McKay Avenue
Portland, ME 04102

Bob W. Ziegelaar
Airport Director
BANGOR INTERNATIONAL AIRPORT
287 Godfrey Boulevard
Bangor, ME 04401

Robert M. Ball, A.A.E.
Executive Director
SOUTHWEST FLORIDA INTERNATIONAL
AIRPORT
16000 Chamberlin Parkway
Suite 8671
Ft. Myers, FL 33913

Nathaniel P. Breed, Jr.
SHAW PITTMAN
2300 N Street, N.W.
Washington, D.C. 20037

Mark Rowell
Airport Manager
PEASE INTERNATIONAL AIRPORT
36 Airline Avenue
Portsmouth, NH 03801

Victor White
Executive Director
ORLANDO SANFORD AIRPORT
One Red Cleveland Boulevard
Sanford, FL 32773

INDEX OF EXHIBITS

<u>Exh. No.</u>	<u>Title of Exhibit</u>
BMA-100	Initial Flight Schedule
BMA-101	Aircraft Fleet and Lease Information
BMA-102	Certificate of Insurance
BMA-103	Affidavit of Safety Compliance
BMA-104	First Year Projected Operating Statistics and Fuel Burn Projection
BMA-105	First Year Traffic, Revenues and Operating Expense Projection Summary and Breakdown by Market and By Month
BMA-106	First Year Projected Balance Sheet as of October 31, 2001
BMA-107	Projected Preoperating Expense
BMA-108	BMAC Balance Sheet as of June 30, 2000
BMA-109	BMAC Profit and Loss Statement for Six Months Ended June 30, 2000
BMA-110	PAA Balance Sheet as of December 31, 1999
BMA-111	Financial Fitness Test Analysis
BMA-112	Officer and Director Resumes and Fitness Questionnaire Responses
BMA-113	Principal Shareholders
BMA-114	Part 298 Air Taxi Operator Registration
BMA-115	Part 135 Air Carrier Certificate
BMA-116	Canadian Nonscheduled International License No. 990126

INDEX OF EXHIBITS

<u>Exh. No.</u>	<u>Title of Exhibit</u>
BMA-117	Affidavit of Citizenship
BMA-118	Certificate of Good Standing
BMA-119	Title 18 Certification
BMA-120	Warsaw Liability Limit Waiver
BMA-121	Articles of Incorporation and By-Laws

BOSTON-MAINE AIRWAYS CORP.
Initial Flight Schedule

Portsmouth (PSM) - Bangor (BGR) - Commencing October 15, 2000

	<u>Depart</u>		<u>Arrive</u>	<u>Equipment</u>	<u>Frequency</u>
BGR	06:00	PSM	06:55	J-31	Daily
PSM	07:00	BGR	07:55	J-31	Daily
BGR	09:15	PSM	10:10	J-31	Daily
PSM	09:45	BGR	10:40	J-31	Daily
BGR	18:00	PSM	18:55	J-31	Daily
PSM	18:00	BGR	18:55	J-31	Daily

Sanford/Orlando (SFB) - Ft. Myers (RSW) - Commencing March 1, 2001

	<u>Depart</u>		<u>Arrive</u>	<u>Equipment</u>	<u>Frequency</u>
SFB	07:15	RSW	08:00	J-31	x67
RSW	07:20	SFB	08:05	J-31	x67
SFB	11:00	RSW	11:45	J-31	Daily
RSW	12:15	SFB	13:00	J-31	Daily
SFB	13:35	RSW	14:20	J-31	Daily
RSW	13:30	SFB	14:15	J-31	Daily
SFB	17:45	RSW	18:30	J-31	x67
RSW	17:30	SFB	18:45	J-31	X67

BOSTON-MAINE AIRWAYS CORP.
Aircraft Fleet and Lease Information

<u>Aircraft Type & Model</u>	<u>Registration Number</u>	<u>Owned/Leased</u>
CASA C-212-CD-51	N203 PA	Leased
CASA C-212-CD-51	N204 PA	Leased
BAe Jetstream 31	N535 PA	Leased
BAe Jetstream 31	N536 PA	Leased
BAe Jetstream 31	N537 PA	Leased

Lessor:

The Owner/Lessor of all five aircraft leased to BMAC is:

Guilford Transportation Industries, Inc.
 14 Aviation Avenue
 Portsmouth, NH 03801
 (603) 766-2000

Guilford is an affiliated company with BMAC as a result of its common ownership with BMAC's parent company, Pan American Airlines, Inc., by Messrs. Mellon and Fink.



U.S. Department of
Transportation

Office of the Secretary
Of Transportation

AGENCY DISPLAY OF ESTIMATED BURDEN

The public reporting burden for this collection of information is estimated to average 30 minutes per response. If you wish to comment on the accuracy of the estimate or make suggestions for reducing this burden, please direct your comments to the Federal Aviation Administration the following address:

U.S. Department of Transportation
Office of Aviation Analysis, X-57
400 7th Street S.W.
Washington, D.C. 20590

and

Office of Management and Budget
Office of Information and Regulatory Affairs
Paperwork Reduction Project 2108-0030
Washington, DC 20503

OMB No. 2108-0030 Expires 12-31-98

U.S. AIR CARRIERS CERTIFICATE OF INSURANCE

POLICIES OF INSURANCE FOR AIRCRAFT ACCIDENT BODILY INJURY AND PROPERTY DAMAGE LIABILITY

FILING INSTRUCTIONS: File an original of this form with the Special Authorities Division, X-57, Office of Aviation Analysis, Department of Transportation 400 7th Street S.W., Washington, D.C. 20590.

(Please type information, except signatures.)

See Attached

THIS CERTIFIES THAT:

(Name of Insured)

Boston - Maine Airways, Corp. d/b/a Pan Am Services

has issued a policy or policies of Aircraft Liability Insurance to

14 Aviation Avenue, Pease International Trade Port, Portsmouth, NH 03801

(Name and Address of insured U.S. Air Carrier)

06/14/00

effective from _____ until ten (10) days after written notice from the insurer or carrier of the intent to terminate coverage is received by the Federal Aviation Administration.

NOTE: Part 205 of the Federal Aviation Administration Regulations does not allow for a predetermined termination date, and a certificate showing such a date is unacceptable.

1. The Insurer (Check one):

- ☒ is licensed to issue aircraft insurance policies in the United States;
is licensed or approved by the government of _____ to issue aircraft insurance policies; or
is an approved surplus line insurer in the State(s) of _____

2. The insurer assumes, under the policy or policies listed below, aircraft accident liability insured to minimums at least equal to the following during operation, maintenance, or use of aircraft in "air transportation" as that term is defined in the Federal Aviation Act (Complete applicable section(s) below):

A. U.S. AIR TAXI OPERATORS WITH PART 294 AUTHORITY ONLY

The aircraft covered by the policy are SMALL AIRCRAFT (i.e., with 30 or fewer passenger seats or with a maximum payload capacity of 18,000 pounds or less). (Check separate or combined coverage as appropriate):

Separate Coverages:

Policy No.	Type of Liability	Minimum Limit	
		Each Person	Each Occurrence
_____	Bodily Injury (Excluding Passengers)	\$75,000	\$300,000
_____	Passenger Bodily Injury Liability	\$75,000	\$75,000 x 75% of total number of passenger seats installed in the aircraft
_____	Property Damage		\$100,000

Combined Coverage: This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damage, and passenger bodily injury.

Policy No. _____

Amount of Coverage _____

This policy covers CARGO operations *only* and *excludes* passenger liability insurance.

B. U.S. COMMUTER AND CERTIFICATED AIR CARRIERS OPERATING SMALL AIRCRAFT

The aircraft covered by this policy are **SMALL AIRCRAFT** (i.e., with 60 or fewer passenger seats or with a maximum payload capacity of 18,000 pounds or less). (Check separate or combined coverage as appropriate):

Separate Coverages:

Policy No.	Type of Liability	Minimum Limit	
		Each Person	Each Occurrence
	Combined Bodily Injury (Excluding Passengers other than cargo attendants) and Property Damage Liability	\$300,000	\$2,000,000
	Passenger Bodily Injury Liability	\$300,000	\$300,000 x 75% of total number of passenger seats installed in the aircraft

X Combined Coverage: This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damage, and passenger bodily injury.

Policy No. See Attached Amount of Coverage Not less than the minimum limits required in 14CFR205

This policy covers **CARGO** operations only and excludes passenger liability insurance.

C. U.S. CERTIFICATED AIR CARRIERS OPERATING LARGE AIRCRAFT

The aircraft covered by this policy are **LARGE AIRCRAFT** (i.e., with more than 60 passenger seats or with a maximum payload capacity of 18,000 pounds or less). (Check separate or combined coverage as appropriate):

Separate Coverages:

Policy No.	Type of Liability	Minimum Limit	
		Each Person	Each Occurrence
	Combined Bodily Injury (Excluding Passengers other than cargo attendants) and Property Damage Liability	\$300,000	\$20,000,000
	Passenger Bodily Injury Liability	\$300,000	\$300,000 x 75% of total number of passenger seats installed in the aircraft

Combined Coverage: This combined coverage is a single limit of liability for each occurrence at least equal to the required minimums stated above for bodily injury (excluding passengers), property damage, and passenger bodily injury.

Policy No. _____ Amount of Coverage _____

This policy covers **CARGO** operations only and excludes passenger liability insurance.

3. The policy or policies listed in this certificate insure(s) (Check One):

☒ Operations conducted with all aircraft operated by the Insured

Operations conducted with the following types of aircraft:

Operations with the following aircraft: (Use additional page if necessary)

Make and Model

FAA or Foreign Flag
Registration No.

4. Each policy listed in this certificate meets or exceeds the requirements in 14 CFR Part 205.

See Attached

(Name of Insurer)

Willis of New York, Inc. Global Aviation

(Name of Broker, if applicable)

7 Haver Street

(Address)

New York, NY 10004

(City, State, Zip Code)

Paul Velavich - Vice President

(Officer or authorized representative)

Contact (person who can verify the effectiveness of the coverage)

(Area Code, Phone Number)

(Area Code, FAX Number)

212-820-7442

(Area Code, Phone Number)

212-635-3589

(Area Code, FAX Number)

(Signature, if applicable)

(Signature)

(Date)

(Date)

[Handwritten Signature]
7/17/00

Willis

SECURITY (the "Insurers")

As respects Liability Insurance:

Insurer

Policy Number

American Home Assurance Company
through American International Aviation Agency
Atlanta, GA

AJ 3387401-03

Underwriters at Lloyd's & Various Companies
through Willis Corroon Corporation, Global Aviation
London, England

AEA 1783

Several Liability Notice

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

LSW 1001 (insurance)

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Application of

BOSTON-MAINE AIRWAYS CORP.

for issuance of a certificate of public convenience and
necessity pursuant to 49 U.S.C. § 41102

Docket OST-00-_____

AFFIDAVIT OF SAFETY COMPLIANCE

John R. Nadolny, being duly sworn, deposes and says:

1. That he is duly elected, qualified, and serving as Senior Vice President, General Counsel and Secretary of Boston-Maine Airways Corp., and that he is authorized to and does make this affidavit for it.

2. That all aircraft currently owned and/or leased by Boston-Maine Airways Corp. have been certified by the Federal Aviation Administration and currently comply with all applicable Federal Aviation Administration safety standards under Part 121, as well as the noise standards of Part 36, of the Federal Aviation Regulations.


John R. Nadolny

State of New Hampshire)
County of Rockingham)

Subscribed and sworn to before me this 17 day of July, 2000.


Notary Public

My commission expires _____.

M. Blanche Abbott
Notary Public
My Commission Expires
May 12, 2004

BOSTON-MAINE AIRWAYS CORP.
First Year Projected Operating Statistics and Fuel Burn Projection

<u>Item</u>	<u>(12 months) PSM-BGR</u>	<u>(7 months) SEB-RSW</u>	<u>1st Year Total</u>
Total Flights	2,160	1,414	3,574
Block Hours	1,901	1,061	2,962
RPM ' s	3,896,235	2,455,937	6,352,172
ASM ' s	6,361,200	3,710,700	10,071,900
Fuel Burn @ 100 gal. p/hr	190,100	106,100	296,200

Source: Exhibit BMA-105

BOSTON-MAINE AIRWAYS CORP.
 First Year Traffic, Revenues and Operating
Expense Projection Summary and Breakdown by Market and Month

<u>Item</u>	<u>(12 months)</u> <u>PSM-BGR</u>	<u>(7 months)</u> <u>SFB-RSW</u>	<u>1st Year</u> <u>Total</u>
Total Passengers	25,137	15,545	40,682
Total Revenue	\$1,980,693	\$1,410,558	\$3,391,251
Total OperatingExpense	<u>1,156,476</u>	<u>785,527</u>	<u>1,942,003</u>
Profit/(Loss)	\$824,217	\$625,031	\$1,449,248

BOSTON-MAINE AIRWAYS CORP.
First Twelve Months Projected Traffic, Revenue, Operating Expense
from Scheduled Service

SUMMARY

SYSTEM	First Twelve Month's Totals/Averages
Flights	3,574
Block Hours	2,961
ASM's	10,071,900
Cost	\$1,942,003
Cost/Block Hour	\$655.86
Cost/Flight	\$543.37
VARIABLE	
Pilots	\$236,904
In-Flight	\$-0-
Maintenance	\$310,936
Insurance - Liability	\$222,097
Fuel	\$296,130
Variable Cost - Total	\$1,066,067
Variable Cost/Block Hour	\$360
Variable Cost/Flight	\$298
STATIONS	
Ground Handling	\$214,050
Pax Handling	\$121,360
Catering	\$-0-
Landing Fees	\$160,830
Airport Fees	\$40,682
Security	\$20,341
Advertising	\$19,000
FIXED	
G&A	\$7,800
Aircraft Rent/Lease	\$260,000
Insurance-Hull	\$15,600
Reservation System	\$16,273
Fixed & Station Costs - Total	\$875,936
Fixed & Station Costs/Block Hour	\$295.82
Fixed & Station Costs/Flight	\$245.08
Cost/ASM	\$0.1928
Projected Load Factor	63%
Projected RPM's	6,352,172
Projected Pax	40,682
Estimated Ticket Price	\$83.36
Estimated Revenue	\$3,391,251
Estimated Revenue/Flight	\$948.86
RASM's	\$0.3367
Yield	\$0.5344
Profit/(Loss)	\$1,449,248

7/18/00

PSM-BGR

Orig	Dest	Dept	Arrv	Freq	Miles	Seats	Block Hrs
PSM	BGR				155	19	0.88
BGR	PSM				155	19	0.88

PSM-BGR		Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Total
Flights		180	180	180	180	180	180	180	180	180	180	180	180	2,160
Block Hours		158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	1,901
ASM's		530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100	530,100	6,361,200
Cost		\$ 94,998	\$ 95,938	\$ 96,759	\$ 97,170	\$ 95,938	\$ 95,528	\$ 97,170	\$ 97,170	\$ 95,528	\$ 96,349	\$ 96,759	\$ 97,170	\$ 1,150,417
Cost / Blk Hour		\$ 600	\$ 606	\$ 611	\$ 613	\$ 606	\$ 603	\$ 613	\$ 613	\$ 603	\$ 608	\$ 611	\$ 613	\$ 605.23
Cost/ Flt		\$ 528	\$ 533	\$ 538	\$ 540	\$ 533	\$ 531	\$ 540	\$ 540	\$ 531	\$ 535	\$ 538	\$ 540	\$ 266.30
Variable														
Pilots	\$ 80.00 Hr	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 12,672.00	\$ 152,064.00
Inflight	\$ - Hr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	\$ 105.00 Hr	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 16,632.00	\$ 199,584.00
Insurance Liability	\$ 75.00 Hr	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 11,880.00	\$ 142,560.00
Fuel	\$ 100.00 Hr	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 15,840.00	\$ 190,080.00
Variable Cost		\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 57,024.00	\$ 684,288.00
Var. Cost/ Blk Hr		\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00
Var. Cost per Flight		\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80	\$ 316.80
PSM - Station														
Ground Handling	\$ - Flt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Passenger Handling	\$ - Flt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Catering	\$ - Pax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landing	\$ - Flt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Airport Fees	\$ 1.00 Pax	\$ 1,881.00	\$ 1,881.00	\$ 2,223.00	\$ 2,394.00	\$ 1,881.00	\$ 1,710.00	\$ 2,394.00	\$ 2,394.00	\$ 1,710.00	\$ 2,052.00	\$ 2,223.00	\$ 2,394.00	\$ 25,137.00
Security	\$ 0.50 Pax	\$ 940.50	\$ 940.50	\$ 1,111.50	\$ 1,197.00	\$ 940.50	\$ 855.00	\$ 1,197.00	\$ 1,197.00	\$ 855.00	\$ 1,026.00	\$ 1,111.50	\$ 1,197.00	\$ 12,568.50
Advertising	\$ - Wk	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BGR - Station														
Ground Handling	\$ 50.00 Flt	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 108,000.00
Passenger Handling	\$ 30.00 Flt	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	\$ 64,800.00
Catering	\$ - Pax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landing	\$ 45.00 Flt	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 8,100.00	\$ 97,200.00
Airport Fees	\$ - Pax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security	\$ 0.50 Pax	\$ 940.50	\$ 940.50	\$ 1,111.50	\$ 1,197.00	\$ 940.50	\$ 855.00	\$ 1,197.00	\$ 1,197.00	\$ 855.00	\$ 1,026.00	\$ 1,111.50	\$ 1,197.00	\$ 12,568.50
Advertising	\$ 1,000.00 Mo.	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00
Fixed (allocated to 2 Aircraft)														
G & A	\$ 300.00 Mo.	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 3,600.00
Aircraft (Fleet of 2.)	\$ 10,000.00 Mo.	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 120,000.00
Hull Insurance	\$ 600.00 Mo.	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 7,200.00
Res System	\$ 0.40 Pax	\$ 752.40	\$ 752.40	\$ 889.20	\$ 957.60	\$ 752.40	\$ 684.00	\$ 957.60	\$ 957.60	\$ 684.00	\$ 820.80	\$ 889.20	\$ 957.60	\$ 10,054.80
Fixed Cost		\$ 37,973.90	\$ 38,914.40	\$ 39,735.20	\$ 40,145.60	\$ 38,914.40	\$ 38,504.00	\$ 40,145.60	\$ 40,145.60	\$ 38,504.00	\$ 39,324.80	\$ 39,735.20	\$ 40,145.60	\$ 466,128.80
Fixed Cost/Blk Hr		\$ 239.73	\$ 245.67	\$ 250.85	\$ 253.44	\$ 245.67	\$ 243.08	\$ 253.44	\$ 253.44	\$ 243.08	\$ 248.26	\$ 250.85	\$ 253.44	\$ 245.23
Fixed Cost / Flt		\$ 210.97	\$ 216.19	\$ 220.75	\$ 223.03	\$ 216.19	\$ 213.91	\$ 223.03	\$ 223.03	\$ 213.91	\$ 218.47	\$ 220.75	\$ 223.03	\$ 215.80
Cost / ASM		\$ 0.1792	\$ 0.1810	\$ 0.1825	\$ 0.1833	\$ 0.1810	\$ 0.1802	\$ 0.1833	\$ 0.1833	\$ 0.1802	\$ 0.1818	\$ 0.1825	\$ 0.1833	\$ 0.1818
Projected L/F		55%	55%	65%	70%	55%	50%	70%	70%	50%	60%	65%	70%	61%
Projected RPM's		291,555	291,555	344,565	371,070	291,555	265,050	371,070	371,070	265,050	318,060	344,565	371,070	3,896,235
Projected Pax		1,881	1,881	2,223	2,394	1,881	1,710	2,394	2,394	1,710	2,052	2,223	2,394	25,137
Ave. Pax / Flt		10	10	12	13	10	10	13	13	10	11	12	13	12
BE Tkt \$		\$ 50.50	\$ 51.00	\$ 43.53	\$ 40.59	\$ 51.00	\$ 55.86	\$ 40.59	\$ 40.59	\$ 55.86	\$ 46.95	\$ 43.53	\$ 40.59	\$ 46.72
Estimated Tkt \$		\$ 74.00	\$ 75.00	\$ 82.00	\$ 84.00	\$ 75.00	\$ 78.00	\$ 83.00	\$ 85.00	\$ 68.00	\$ 72.00	\$ 81.00	\$ 82.00	\$ 78.25
Estimated Rev.		\$ 139,194	\$ 141,075	\$ 182,286	\$ 201,096	\$ 141,075	\$ 133,380	\$ 198,702	\$ 203,490	\$ 116,280	\$ 147,744	\$ 180,063	\$ 196,308	\$ 1,980,693
Estimated Rev. /Flt		\$ 773	\$ 784	\$ 1,013	\$ 1,117	\$ 784	\$ 741	\$ 1,104	\$ 1,131	\$ 646	\$ 821	\$ 1,000	\$ 1,091	\$ 917
RASM's		\$ 0.2626	\$ 0.2661	\$ 0.3439	\$ 0.3794	\$ 0.2661	\$ 0.2516	\$ 0.3748	\$ 0.3839	\$ 0.2194	\$ 0.2787	\$ 0.3397	\$ 0.3703	\$ 0.3114
Yld		\$ 0.4774	\$ 0.4839	\$ 0.5290	\$ 0.5419	\$ 0.4839	\$ 0.5032	\$ 0.5355	\$ 0.5484	\$ 0.4387	\$ 0.4645	\$ 0.5226	\$ 0.5290	\$ 0.5084
Profit/(Loss)		\$ 44,196	\$ 45,137	\$ 85,527	\$ 103,926	\$ 45,137	\$ 37,852	\$ 101,532	\$ 106,320	\$ 20,752	\$ 51,395	\$ 83,304	\$ 99,138	\$ 824,217

SFB-RSW

Orig	Dest	Dep	Arrv	Freq	Miles	Seats	Block Hrs
SFB	RSW				158	19	0.76
RSW	SFB				158	19	0.76

SFB-RSW		Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Total
Flights		202	202	202	202	202	202	202	202	202	202	202	202	2,424
Block Hours		151.5	151.5	151.5	151.5	151.5	151.5	151.5	151.5	151.5	151.5	151.5	151.5	1,818
ASM's		606,404	606,404	606,404	606,404	606,404	606,404	606,404	606,404	606,404	606,404	606,404	606,404	7,276,848
Cost		\$ 116,266	\$ 115,726	\$ 116,647	\$ 117,108	\$ 114,805	\$ 115,268	\$ 117,108	\$ 117,108	\$ 115,266	\$ 116,187	\$ 116,647	\$ 117,108	\$ 1,387,241
Cost / Blk Hour		\$ 781	\$ 764	\$ 770	\$ 773	\$ 758	\$ 761	\$ 773	\$ 773	\$ 761	\$ 767	\$ 770	\$ 773	\$ 763.06
Cost / Flt		\$ 571	\$ 573	\$ 577	\$ 580	\$ 568	\$ 571	\$ 580	\$ 580	\$ 571	\$ 575	\$ 577	\$ 580	\$ 295.15
Variable														
Pilots	\$ 80.00 Hr	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 12,120.00	\$ 145,440
Inflight	\$ - Hr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	\$ 105.00 Hr	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 15,907.50	\$ 190,890
Insurance Liability	\$ 75.00 Hr	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 11,362.50	\$ 136,350
Fuel	\$ 100.00 Hr	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 181,800
Variable Cost		\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 54,540.00	\$ 654,480
Var. Cost / Blk Hr		\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360.00	\$ 360
Var. Cost per Flight		\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00	\$ 270.00
SFB - Station														
Ground Handling	\$ - Flt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Passenger Handling	\$ - Flt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Catering	\$ - Pax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landing	\$ - Flt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Airport Fees	\$ 1.00 Pax	\$ 1,919.00	\$ 2,110.90	\$ 2,484.70	\$ 2,686.60	\$ 1,727.10	\$ 1,919.00	\$ 2,686.60	\$ 2,686.60	\$ 1,919.00	\$ 2,302.80	\$ 2,484.70	\$ 2,686.60	\$ 27,633.60
Security	\$ 0.50 Pax	\$ 959.50	\$ 1,055.45	\$ 1,247.35	\$ 1,343.30	\$ 863.55	\$ 959.50	\$ 1,343.30	\$ 1,343.30	\$ 959.50	\$ 1,161.40	\$ 1,247.35	\$ 1,343.30	\$ 13,816.80
Advertising	\$ 1,000.00 Wk	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00
RSW - Station														
Ground Handling	\$ 75.00 Flt	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 15,150.00	\$ 181,800
Passenger Handling	\$ 40.00 Flt	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 8,080.00	\$ 96,960
Catering	\$ - Pax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landing	\$ 45.00 Flt	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 9,090.00	\$ 109,080.00
Airport Fees	\$ - Pax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security	\$ 0.50 Pax	\$ 959.50	\$ 1,055.45	\$ 1,247.35	\$ 1,343.30	\$ 863.55	\$ 959.50	\$ 1,343.30	\$ 1,343.30	\$ 959.50	\$ 1,161.40	\$ 1,247.35	\$ 1,343.30	\$ 13,816.80
Advertising	\$ 1,000.00 Mo	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00
Fixed (allocated to 4 Aircraft)														
G & A	\$ 600.00 Mo	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 7,200.00
Aircraft (Fleet of 4)	\$ 20,000.00 Mo	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 240,000.00
Hull Insurance	\$ 1,200.00 Mo	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 14,400.00
Res System	\$ - 0.40 Pax	\$ 767.60	\$ 844.96	\$ 987.68	\$ 1,074.64	\$ 680.84	\$ 767.60	\$ 1,074.64	\$ 1,074.64	\$ 767.60	\$ 821.12	\$ 897.68	\$ 1,074.64	\$ 11,353.44
Fixed Cost		\$ 60,725.60	\$ 61,186.16	\$ 62,107.28	\$ 62,567.84	\$ 60,265.04	\$ 60,725.60	\$ 62,567.84	\$ 62,567.84	\$ 60,725.60	\$ 61,646.72	\$ 62,107.28	\$ 62,567.84	\$ 732,760.64
Fixed Cost/Blk Hr		\$ 400.83	\$ 403.87	\$ 409.85	\$ 412.89	\$ 397.79	\$ 400.83	\$ 412.89	\$ 412.89	\$ 400.83	\$ 406.91	\$ 409.85	\$ 412.89	\$ 403.06
Fixed Cost / Flt		\$ 300.62	\$ 302.90	\$ 307.46	\$ 309.74	\$ 298.34	\$ 300.62	\$ 309.74	\$ 309.74	\$ 300.62	\$ 305.18	\$ 307.46	\$ 309.74	\$ 302.29
Cost / ASM		\$ 0.1901	\$ 0.1908	\$ 0.1924	\$ 0.1931	\$ 0.1893	\$ 0.1901	\$ 0.1931	\$ 0.1931	\$ 0.1901	\$ 0.1916	\$ 0.1924	\$ 0.1931	\$ 0.1916
Projected UF		50%	55%	65%	70%	45%	60%	70%	70%	50%	60%	65%	70%	80%
Projected RPM's		308,202	333,522	394,163	424,483	272,682	303,202	424,483	424,483	303,202	363,842	394,163	424,483	4,366,109
Projected Pax		1,919	2,111	2,485	2,687	1,727	1,919	2,687	2,687	1,919	2,303	2,485	2,687	27,634
Ave. Pax / Flt		10	10	12	13	9	10	13	13	10	11	12	13	11.4
BE Tkt \$		\$ 60.07	\$ 54.82	\$ 46.76	\$ 43.59	\$ 66.47	\$ 60.07	\$ 43.59	\$ 43.59	\$ 60.07	\$ 50.45	\$ 46.76	\$ 43.59	\$ 51.85
Estimated Tkt \$		\$ 78.00	\$ 95.00	\$ 110.00	\$ 105.00	\$ 70.00	\$ 78.00	\$ 92.00	\$ 95.00	\$ 67.00	\$ 72.00	\$ 84.00	\$ 102.00	\$ 87.39
Estimated Rev.		\$ 149,682	\$ 200,536	\$ 274,417	\$ 282,093	\$ 120,897	\$ 149,682	\$ 247,167	\$ 255,227	\$ 128,573	\$ 165,802	\$ 209,555	\$ 274,033	\$ 2,457,863
Estimated Rev. / Flt		\$ 741	\$ 993	\$ 1,359	\$ 1,387	\$ 589	\$ 741	\$ 1,224	\$ 1,264	\$ 637	\$ 821	\$ 1,037	\$ 1,357	\$ 1,014
RASW's		\$ 0.2468	\$ 0.3307	\$ 0.4525	\$ 0.4652	\$ 0.1984	\$ 0.2468	\$ 0.4076	\$ 0.4209	\$ 0.2120	\$ 0.2734	\$ 0.3456	\$ 0.4519	\$ 0.3377
Yld		\$ 0.4937	\$ 0.6013	\$ 0.6962	\$ 0.6846	\$ 0.4430	\$ 0.4937	\$ 0.6823	\$ 0.6913	\$ 0.4241	\$ 0.4557	\$ 0.5316	\$ 0.6456	\$ 0.5629
Profit/Loss		\$ 34,416	\$ 84,809	\$ 157,770	\$ 164,985	\$ 5,082	\$ 34,416	\$ 130,059	\$ 138,119	\$ 13,307	\$ 49,615	\$ 92,908	\$ 156,825	\$ 1,083,423

BOSTON-MAINE AIRWAYS CORP.

Balance Sheet
(Pro Forma)
October 31, 2001

CURRENT ASSETS

CASH	\$ 593,900
ACCOUNTS RECEIVABLE	\$ 410,000
SPARE PARTS & SUPPLIES	\$ 450,000
ASSETS HELD FOR DISPOSITION	\$ 362,800
PREPAID ITEMS	\$ 52,500
AVAILABLE CREDIT FACILITY	\$ 500,000

OTHER ASSETS

Property & Equipment	
Aircraft (improvements to leased property)	\$ 848,000
Flight Equipment Rotable Parts	\$ 150,000
Ground Equipment & Vehicles	\$ 50,000
Test Equipment & Tooling	\$ 194,000
Office Furniture & Equipment	\$ 10,000
Accumulated Depreciation	(\$ 20,000)
Net Other Assets	\$ 1,232,000
Intellectual Property/Goodwill	\$ 25,000

TOTAL ASSETS \$ 3,626,200

CURRENT LIABILITIES

Trade Accounts Payable	\$ 100,000
Accrued Salaries & Wages	\$ 20,000
Accrued Taxes	\$ 8,000
Accrued Lease Obligations	\$ 54,000
Other Current Liabilities	\$ 5,000

LONG TERM LIABILITIES

Available Credit Facility	\$ 500,000
---------------------------	------------

STOCKHOLDERS EQUITY

Common Stock	\$ 100,000
Additional Paid-in Capital	\$ 1,400,000
Retained Earnings	\$ 1,439,200

TOTAL LIABILITIES AND EQUITY \$ 3,626,200

BOSTON-MAINE AIRWAYS CORP.
Projected Preoperating Expense

<u>Item</u>	<u>Amount</u>
New Station Expense	\$5,000
Advertising & Promotion	15,000
Reservation System Expense	10,000
DOT/FAA Certification Expense	<u>154,000</u>
Total	<u><u>184,000</u></u>

BOSTON-MAINE AIRWAYS CORP.

Balance Sheet
(Unaudited)
June 30, 2000

CURRENT ASSETS

CASH	\$ 148,900
ACCOUNTS RECEIVABLE	\$ 100,000
SPARE PARTS & SUPPLIES	\$ 100,000
ASSETS HELD FOR DISPOSITION	\$ 537,800
PREPAID ITEMS	\$ 2,500
AVAILABLE CREDIT FACILITY	\$ 500,000

OTHER ASSETS

Property & Equipment	
Aircraft (improvements to leased property)	\$ 573,000
Flight Equipment Rotable Parts	\$ 50,000
Ground Equipment & Vehicles	\$ 40,000
Test Equipment & Tooling	\$ 100,000
Office Furniture & Equipment	\$ 10,000
Accumulated Depreciation	(\$ -0-)
Net Other Assets	\$ 763,000
Intellectual Property/Goodwill	\$ 25,000

TOTAL ASSETS \$ 2,187,200

CURRENT LIABILITIES

Trade Accounts Payable	\$ 75,000
Accrued Salaries & Wages	\$ 10,000
Accrued Taxes	\$ 4,000
Accrued Lease Obligations	\$ 37,000
Other Current Liabilities	\$ 5,000

LONG TERM LIABILITIES

Available Credit Facility	\$ 500,000
---------------------------	------------

STOCKHOLDERS EQUITY

Common Stock	\$ 100,000
Additional Paid-in Capital	\$ 1,400,000
Retained Earnings	\$ 56,200

TOTAL LIABILITIES AND EQUITY \$ 2,187,200

07/17/00

B-M Airways
Profit & Loss
January through June 2000

	Jan - Jun '00
Ordinary Income/Expense	
Income	
3100 · Aircraft Charter In...	591,322.47
3580 · Misc Income	6,233.43
3890 · Federal Ex Tax	494.70
Total Income	598,050.60
Cost of Goods Sold	
5000 · Cost of Goods Sold	
5020 · Catering	43.99
5030 · De-Ice Fluid	13,810.50
Total 5000 · Cost of Goo...	13,854.49
Total COGS	13,854.49
Gross Profit	584,196.11
Expense	
Accrued Maint. Expense	31,650.00
Aircraft Rent	159,000.00
Calibration - Tools	2,713.15
Insurance Expense	11,740.00
Moving Expense - Emplo...	561.09
4220 · Crew Accomodati...	10,604.04
4400 · Charter Fuel	19,806.93
4410 · Charter Landing Fee	19,825.52
4420 · Hangar Rent Out...	17,400.00
4450 · Charter Misc. Exp...	6,023.84
4500 · Parts Expense	28,499.06
4510 · Charter Customer	3,690.50
5100 · Payroll Expenses	216,157.17
5620 · Uniforms	1,162.28
5740 · Charter Crew - Pe...	10,815.00
6300 · Equipment Expense	3,520.46
6320 · Maintenance Serv...	69.41
6330 · Mileage	742.14
6340 · Tolls	98.30
6810 · Freight Expense	3,378.58
6999 · Uncategorized Ex...	0.00
7230 · Landing Fee	10.00
7400 · Supplies	
7410 · Office Supplies	1,106.13
7420 · Cleaning Supplies	59.48
7450 · Printing Supplies	432.90
7480 · Maintenance Su...	2,686.13
7400 · Supplies - Other	26.38
Total 7400 · Supplies	4,311.02
7460 · Auto Gas	350.38
7600 · Utilities	6,163.74
7800 · Misc Expense	9,334.92
7830 · Permits & Registr...	100.00

07/17/00

B-M Airways
Profit & Loss
January through June 2000

	<u>Jan - Jun '00</u>
Total Expense	<u>567,727.53</u>
Net Ordinary Income	<u>16,468.58</u>
Net Income	<u><u>16,468.58</u></u>

BOSTON-MAINE AIRWAYS CORP.
Pan American Airlines Balance Sheet as of December 31, 1999

CURRENT ASSETS

Cash	\$493,261
Short-Term Investments	184,298
Notes Receivable	135,299
Accounts Receivable	9,306,903
Spare Parts and Supplies	1,721,796
Assets Held for Disposition	6,156,737
Prepaid Items	831,321
Other Current Assets	2,324
Special Funds	<u>139,995</u>
TOTAL CURRENT ASSETS	18,971,934

OTHER ASSETS

Property and Equipment	
Engines	2,664,607
Flight Equipment Rotable Parts	3,461,277
Ground Equipment & Vehicles	1,789,549
Test Equipment and Tooling	1,067,699
Office Furniture & Equipment	166,557
Improvements to Leased Property	
Pease	2,410,034
Fuel Farm	715,288
Sanford, FL	131,330
Nose Dock	102,920
Accumulated Depreciation	(1,260,573)
Flight Equipment Airworthiness Allowance	(4,052,167)
Other Assets and Deferred Charges	<u>6,263,983</u>

TOTAL ASSETS**\$32,432,448****CURRENT LIABILITIES**

Trade Account Payables	\$1,101,352
Short Term Notes Payable	8,105,076
Accrued Salaries & Wages	325,495
Accrued Interest	120,770
Accrued Taxes	18,768
Air Traffic Liability	5,653
Other Current Liabilities	<u>98,969</u>
TOTAL CURRENT LIABILITIES	9,776,083

LONG TERM LIABILITIES

Note Payable to Shareholder	1,021,000
-----------------------------	------------------

STOCKHOLDER'S EQUITY

Preferred Stock	25,000,000
Additional Paid-In Capital	9,000
Common Stock	4,491,000
Retained Earnings	<u>(7,864,635)</u>
	21,635,365

TOTAL LIABILITIES AND EQUITY**\$32,432,448**

BOSTON-MAINE AIRWAYS CORP.
Financial Fitness Test Analysis

Working Capital Requirement

Projected Preoperating Expense	\$184,000	
25 % of First-Year Operating Expense	<u>485,501</u>	
Total Working Capital Request		\$669,501

Working Capital

Cash on hand, accounts receivable and assets held for sale	786,700	
Line of Credit Facility (from PAA)	500,000	
Total Working Capital		<u>1,286,700</u>
Working Capital Surplus		<u>\$ 617,199</u>

BOSTON-MAINE AIRWAYS CORP.

Officer and Director Resumes and Fitness Questionnaire Responses

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

MR. TIMOTHY MELLON

P.O. Box 858

LYME, CT

2. Title or Position with Company:

DIRECTOR

3. Number and type of shares of Company stock owned, or to be acquired, if any:

NONE

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

Chairman Pan American Airlines, INC.

14 AVIATION AVE. PORTSMOUTH, NH 03801

(603) 766-2000

5. Are you a citizen of the United States? Yes ☒ No ☐

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

N/A

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DOT Fitness Questionnaire

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ☒ No ☐

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes ☒ No ☐

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ☒ No ☐

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ☐ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ☐ No ☒

(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ☐ No ☒

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

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DOT Fitness Questionnaire

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ☒ No ☐

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

Signature

Date

TIMOTHY MELLON

Printed Name

Attachments

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DOT Fitness Questionnaire

Attachment A

DOT Fitness Questionnaire - Detailed Responses:Name of Person Responding: TIMOTHY MELLONQuestion
No.Detailed Response

7. CURRENTLY A DIRECTOR, SHAREHOLDER (MAJORITY) AND CHAIRMAN OF PANAMERICAN AIRLINES, INC. ("PAA"). PAA IS THE OWNER OF PAN AMERICAN AIRWAYS CORP. A PART 121 AIR CARRIER (PAAC).
8. SEE RESPONSE TO #7 ABOVE, SINCE JUNE, 1998.
9. PLAINTIFF IN LAWSUIT AGAINST CESSNA AIRCRAFT FOR BREACH OF CONTRACT. JUDGMENT FOR PLAINTIFF CURRENTLY ON APPEAL.
13. WHILE PILOT IN COMMAND OF PAAC FLIGHT 17 ON JANUARY 19, 2000 SANFORD TO GARY, INVOLVED IN TAXI'ING INCIDENT (SLID) ON ICE COVERED RUNWAY AT LOW SPEED. REVIEW BY FAA WAS CLOSED W/OUT ACTION, ATTRIBUTED TO WEATHER CONDITIONS/RUNWAY CONDITIONS. NO OPEN INVESTIGATION BY FAA, NTSB OR COMPANY.

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

-
1. Please state your name and residence address:

DAVID A. FINK

61 CHRISTIAN HILL ROAD

AMHERST, NH 03031

2. Title or Position with Company:

PRESIDENT / DIRECTOR

3. Number and type of shares of Company stock owned, or to be acquired, if any:

NONE

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

PRESIDENT PAN AMERICAN AIRLINES, INC.

14 AVIATION AVENUE PORTSMOUTH NH 03801

(603) 766-2000

5. Are you a citizen of the United States? Yes ☒ No ☐

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

N/A

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ☒ No ☐

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes ☒ No ☐

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ☐ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ☐ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ☐ No ☒


(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ☐ No ☒

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ☐ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).


Signature _____ Date _____

DAVID A. FINK
Printed Name

Attachments
657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:

Name of Person Responding: DAVID A. FINK

Question

No. Detailed Response

7. CURRENTLY AN OFFICER (PRESIDENT), DIRECTOR AND SHAREHOLDER (5.28%) OF PAN AMERICAN AIRLINES, INC. WHICH IN TURN IS THE OWNER OF PAN AMERICAN AIRWAYS CORP., A PART 121 CARRIER.
8. BECAME PRESIDENT OF PAN AMERICAN AIRLINES, INC. in May of 1998.

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

JOHN R. NADOLNY

10 YOUNG LANE

RYE, NH 03870

2. Title or Position with Company:

SENIOR VP / GENERAL COUNSEL

3. Number and type of shares of Company stock owned, or to be acquired, if any:

NONE

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

PAN AMERICAN AIRWAYS CORP. (SENIOR VP / G.C.)

14 AVIATION AVE. PORTSMOUTH, NH 03801

(603) 766-2000

5. Are you a citizen of the United States?

Yes ☒

No ☐

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

N/A

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ☒ No ☐

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes ☒ No ☐

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ☐ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ☐ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ☐ No ☒

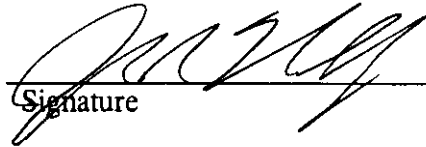
(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ☐ No ☒

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ___ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

 7/10/00
Signature Date

JOHN R. NADOLNY
Printed Name

Attachments
657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:

Name of Person Responding: JOHN R. NADOLNY

Question
No. _____

Detailed Response

7. CURRENTLY AN OFFICER (SECRETARY) OF PAN AMERICAN AIRLINES, INC., THE OWNER OF PAN AMERICAN AIRWAYS CORP., A PART 121 CERTIFICATED CARRIER.
8. BECAME AN OFFICER OF PAN AMERICAN AIRLINES, INC. IN MAY OF 1998.



402 Amherst Street-Suite 300
Nashua, NH 03063-1287
603-595-1614
603-595-2414 FAX

October 26, 1998

Ms. Carol A. Woods
Air Carrier Fitness Division
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Pan American Airlines, Inc.

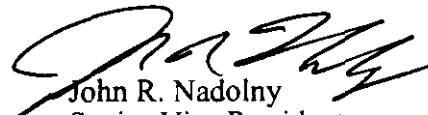
Dear Ms. Woods:

To supplement the materials provided in connection with your inquiry dated September 30, 1998, I have prepared the following narrative concerning my background in lieu of a resume.

My full name is John Robert Nadolny. I was born July 24, 1959 in Pittsfield, Massachusetts. I received my education at Boston College (B.S. in Management and Accounting - 1981) and Boston College Law School (J.D. in 1984). After graduating from law school I initially worked for the then-Big 8 accounting firm of Touche Ross & Co. In February of 1986 I joined the Boston law firm of Finnegan, Stanzler & Nadeau, where I worked on a wide variety of corporate and regulatory matters. In January of 1988 I joined the Law Department of the Guilford Rail System (the affiliated railroads owned by Guilford Transportation Industries, Inc. ("GTI")) as Assistant General Counsel. I was promoted to the position of Vice President and General Counsel in August of 1992 and served in that position until August of this year, when I became Senior Vice President and General Counsel to GTI and Pan American Airlines, Inc.

A completed DOT Fitness Information Questionnaire is attached. If you have any questions or require additional information, please feel free to contact me directly at (603) 595-1614.

Sincerely,


John R. Nadolny
Senior Vice President
and General Counsel

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

JOSEPH L. CAREY

40 COX LANE

METHUEN, MA 01844

2. Title or Position with Company:

TREASURER

3. Number and type of shares of Company stock owned, or to be acquired, if any:

NONE

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

ASSISTANT TREASURER PAN AMERICAN AIRWAYS CORP.

14 AVIATION AVENUE PORTSMOUTH NH 03801

(603) 766-2000

5. Are you a citizen of the United States? Yes ☒ No ☐

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

N/A

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ☒ No ☐ *SEE ITEM 4.*

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes ☐ No ☒

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ☐ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ☐ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ☐ No ☒

(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ☐ No ☒

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ___ No ✓

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

Joseph L. Carey 7/13/00
Signature Date

JOSEPH L. CAREY
Printed Name

Attachments
657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:

Name of Person Responding: _____

Question

No. _____	Detailed Response _____
-----------	-------------------------

Joseph L. Carey
Asst. VP / Treasurer - Guilford Rail Systems
Assistant Treasurer - Pan American World Airways

Graduate of Bentley College - 1975 - Bachelor of Science - Accounting

1968 - 1980- 12 years working at State Street Bank & Trust Company , Keystone Custodian Funds and The Massachusetts Company in mutual funds and private portfolio management accounts. Held positions such as Accountant and Manager - Client / Portfolio Accounting.

1980 - 1991- 11 years at The Kendall Company, a hospital & surgical products manufacturing company. Held positions such as Divisional Accountant, Accounts Payable Manager, Inventory Accountant, Senior Consolidations Accountant and Manager - International Accounting.

1991- Present - 7 years at Guilford Rail System, initially in charge of financial reporting and for the past 6 years as Treasurer.

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

GORDON A LONG

1465 Woodbury Ave #256

Portsmouth, NH 03801

2. Title or Position with Company:

Director of Operations

3. Number and type of shares of Company stock owned, or to be acquired, if any:

NONE

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

5. Are you a citizen of the United States?

Yes ☒ No ☐

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ___ No ~~___~~

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign ~~air carrier~~, or other aviation-related business? Yes ~~___~~ No ___

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ___ No ~~___~~

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ___ No ~~___~~

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ___ No ~~___~~

(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ___ No ~~___~~

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ☐ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

Signature

Date

Printed Name

Attachments

657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:

Name of Person Responding: GORDON LONG

Question

No. _____

Detailed Response _____

8 — Director of operations for numerous
FAR 135 operations.
From Present to Past
A. Boston-MAINE Airways
B. Arlington Leasing Inc d/b/a National Air
C. Air Transport Inc.

GORDON R. LONG
1465 Woodbury Ave # 256
Portsmouth, NH 03801
(603) 674-9015

Pilot Qualification: Airline Transport Rating – Multi-engine Land
CASA 212 Type Rating
Commercial & Instrument Rating – Single Engine Land

Total Time: 6,000 + Hours
PIC: 4,500 + Hours
Multi-Engine 3,500 + Hours

Employment:

Oct 83 – Present: Arlington Leasing, Inc. d/b/a Pan Am Services
In October, 1983 Appointed to Director of Operations for a small FAR Part 135 passenger commuter service operating Piper Navajo's and CASA 212 aircraft. Scheduled service included routes from Newport, Providence, Boston, New York and Washington DC airports. In the fall of 1985, the operation was moved from Newport, Rhode Island to Louisville, KY, including transferring the FAR 135 Air Carrier Operating Certificate from Norwood, MA to Louisville, KY. Operations including operating twelve CASA 212 aircraft in scheduled nightly service for United Parcel Service in all cargo configuration. In the spring of 1987 consolidated all operations with our parent company (American CASA Distributor) in Riverside, CA. Again, transferred the FAR 135 certificate from Louisville, KY to Riverside, CA. In the fall of 1997, Arlington Leasing, Inc. sold its last owned and operated CASA 212 and the 135 certificate was surrendered to the Riverside FAA-FSDO office. In February, 1999 the stock and assets of Arlington Leasing, Inc. was purchased by Pan American Airlines and the company and all its employees was transferred to Portsmouth, NH.

June 99 to Present Boston-Maine Airways
Director of Operations for a FAR Part 135 all cargo operation utilizing the CASA 212-200 series aircraft. The CASA 212 is small transport category twin engine turbine powered aircraft.

June, 1980 to October, 1983 Air Transport Center, Inc.,
Owned and operated a FAR Part 135 On-demand charter service operating nine-passenger or less multi-engine and single engine aircraft. Service as the Director of Operations and Chief Pilot.

Sept, 1976 to June, 1980 Newport Aero, Inc.
Newport, Rhode Island
Served as a line captain operating Piper Navajo's and single engine aircraft in scheduled passenger service from Newport, Providence, Boston and New York airports. In addition flew on-demand charters.

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

JOHN JEROME HUGHES
169 CENTER ST.
GROVELAND, MASS 01834

2. Title or Position with Company:

CHIEF PILOT

3. Number and type of shares of Company stock owned, or to be acquired, if any:

N/A

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

N/A

5. Are you a citizen of the United States? Yes ☒ No ☐

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ___ No ☒

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes ☒ No ___

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ___ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ___ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ☒ No ___

(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ___ No ☒

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ___ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

John J. Hughes 4/3/00
Signature Date

JOHN J. HUGHES
Printed Name

Attachments
657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:Name of Person Responding: John J. HughesQuestion
No. _____Detailed Response

- | | |
|----|---|
| 8 | See attached resume for list of past aviation related Businesses I have been employed by |
| 11 | See attached letter regarding an incident involving an inoperative wingtip light improperly written up. The incident was resolved with a 2 year warning |

John J. Hughes
169 center St.
Groveland, Mass 01834
(978-372-4351)

- Mar. 1999 - Present Boston-Maine Airways**
14 Aviation Avenue
Portsmouth, N.H. 03801
Chief Pilot
Duties include setting up Part 135 cargo operation for Casa 212's. This included writing all manuals, including training and operations, hiring crews and training them and managing day to day operations. More recently I have been working to get Part 135 passenger approval for the BA e 3100.
- May 1998-Mar.1999 FlightSafety International**
Marine Air Terminal
Laguardia Airport
Flushing, New York 11374
Duties included training new hire and upgrade pilots to proficiency through ground and flight instruction on the Saab 340 aircraft for Part 121 operations.
- Apr.1997-Mar.1998 H.B. Meats and Produce**
P.O. Box 113, Kingston N.H. 03848
Owner and Manager
Duties included setting up and running a retail market. Creating business plan and all ordering, hiring, cost analysis etc.
- Aug. 1986-Apr. 1997 Business Express Airlines**
55 Washington St. Suite 300
Dover, N.H. 03820-3809
Duties included captain of scheduled 121 flights in the Saab 340 throughout the northeastern U.S. and Canada (1990-1997) and Part 135 scheduled operation in the Beech 1900 aircraft (1986-1990) as captain throughout the northeastern U.S. and Canada.
- Mar. 1984-Aug. 1986 Precision Airlines**
Galaxy Way, Manchester Muni. Airport.
Manchester N.H.
Duties included captain of Part 135 passenger operations in aircraft such PA-31, DHC-6, BE-99 and DO-228 throughout the northeastern U.S. and Canada.

BOSTON-MAINE AIRWAYS CORP.
Section 41102 Certificate Application

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May. 1978-Mar. 1984 Bay State Airways later known as Colonial Airlines

239 Newton Road

Haverhill, Mass. 01830

Duties included Chief Pilot of a small Part 135 on demand charter operation. in charge of quotes , aircraft and crew assignments using both single and twin engine aircraft.

Jun. 1976-May 1978 Merrimack Airlines

Lawrence Municipal Airport

North andover, Mass.

Duties included co-pilot and later captain on Part 135 operations using both single and twin engine aircraft.

Feb. 1974-Jun.1976 Aviad

(part time)

Lawrence Municipal Airport

North Andover, Mass.

Duties included piloting an aircraft for aerial advertising banners and skywriting.

May 1974-Sep. 1978 Lakeman Fisheries

Gloucester, Mass.

Duties included piloting an aircraft to locate and direct fishing boats to schools of fish for for capture.

Interests: Reading, History, Writing, Hunting, Fishing



U.S. Department
of Transportation
**Federal Aviation
Administration**

**FLIGHT STANDARDS DISTRICT OFFICE
7 AIRPORT PARK BLVD.
LATHAM, NEW YORK 12110**

February 2, 2000

File Number: 2000EA010010

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. John J. Hughes
169 Center St.
Groveland, MA 01834-1539

Dear Mr. Hughes:

During a recent ramp check of aircraft N203PA, a C-212-CD, operated by Boston-Maine Airways, it was noted that on 01/24/2000, you as pilot in command, operated the aircraft for revenue flight when the aircraft did not meet applicable airworthiness requirements. Specifically, on Log book page 110126 dated 01/24/00, you had written up a maintenance discrepancy, Port WING TIP LIGHT INOP AT ROC. Apparently the discrepancy was repaired, but was not signed off by the mechanic with the corrective action.

This letter is to inform you that this matter is under investigation by the Federal Aviation Administration. We would appreciate receiving any evidence or statements you might care to make regarding this matter within 10 days of receipt of this letter. Any discussion or written statements furnished by you will be given consideration in our investigation. If we do not hear from you within the specified time, our report will be processed without the benefit of your statement.

Sincerely,

Robert S. Willett
Aviation Safety Inspector

Enclosure: Privacy Act Notice

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

Hobart T. Livingston
10 Chestnut St. Apt 1203
Exeter, NH 03833

2. Title or Position with Company:

Director of Safety

3. Number and type of shares of Company stock owned, or to be acquired, if any:

None

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

5. Are you a citizen of the United States? Yes ☒ No ☐

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ☒ No ☐

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes ☒ No ☐

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ☐ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ☐ No ☒

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ☐ No ☒

(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ☐ No ☒

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ☐ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

Signature

Date

Printed Name

Attachments
657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:

Name of Person Responding: H. Livingston

Question
No. _____

Detailed Response

7.	Director of Safety Pan American Airways Corp
8.	US Airways 5/7/62 - 12/31/93 Pilot

Hobart T. Livingston
P.O.Box 479
North Hampton, NH 03862
603 674 6075
hobie@nh.ultranet.com

Objective: Flight Department Manager, Flight Safety Officer

Work/Professional Pilot Experience

US Airways, Thirty One Years

International Captain, 150 Atlantic Crossings

ATP Type Ratings

Boeing 767 and 757

M/D DC-9, BAC 1-11, Fairchild FH 227

Piston CV-240-340-440, M-404

Crew Resource Management Background

Air/Ground Safety and Security Training

First Class Physical

Operated many different large aircraft in all weather operations

Total Time 30,000 hrs

Tailwheel 5,000 hrs

Airline Time, includes Instrument, Cross Country, Night

All multi-engine 23,000 hrs

Light twin, includes Instrument, Cross Country, Night 2,000 hrs

No accidents or incidents

Leesona Corp., Providence, RI,

Created Cessna 310 Corporate Flight Department

Piloted and Managed Scheduling

Covered All of East Coast and Eastern Canada

Eastair, Inc., Providence, RI,

Chief Pilot/Aircraft Sales/Charter/Air Taxi/Instructor

Scheduling and Selling Instruction and Charter Flights

Selling Aircraft and Services

Travel Air Service, Block Island, RI,

Air Taxi Service, throughout New England and New York

USAF Aviation Cadets/RIANG

Officer/Leadership/Pilot Training, 1st Lieutenant

S/MEL T-34, T-28, B-25, SA-16 Grumman Albatross

Hobart T. Livingston
94 Exeter Road
North Hampton, NH 03862
603 674 6075
hobie@nh.ultranet.com

In Addition

Owned Light Manufacturing and Sales Company for Five Years
Aviation Consumer Product with International Sales.
Trade Show Appearances, Create Advertising, Literature,
Web Pages, Telephone Sales, Purchasing, Manufacture,
Assembly, and Shipping of Aviation Preheater.
Computer Bookkeeping and Cost Control.

Eighteen years experience with Inside and Outside Sales
Infrared Heating Systems Applications to Living and Industrial Space.
Serviced Thirteen Hangars and many industrial sites
Electric and Gas Fired Equipment. Heat Loss Calculations
Operational Economy Measures. Installation Design. Read
and Create Wiring Diagrams and Construction Blueprints
for installers and customers. Write operating procedures

C.B.Cottrell & Sons, Westerly, RI,
Six Years experience in heavy industry,
Foundry, Machine Shop, Wood Patternmaking Practices

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

-
1. Please state your name and residence address:

Douglas A. Alm

One Mill St. Apt #240 - Dover, NH 03820

2. Title or Position with Company:

Director of Maintenance

3. Number and type of shares of Company stock owned, or to be acquired, if any:

None

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

Director of Maintenance

Boston-Maine Airways - 14 Aviation Ave, Portsmouth, NH 03820

(603) 766-2142

5. Are you a citizen of the United States? Yes X No

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

N/A

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ☐ No ☒

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes ☒ No ☐

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ☐ No ☒

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

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11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ☐ No ☒

(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ☐ No ☒

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ___ No X

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

120 3/29/00
Signature Date

DOUGLAS A. ALM
Printed Name

Attachments
657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:

Name of Person Responding: _____

Question

No. _____	<u>Detailed Response</u> _____
-----------	--------------------------------

Douglas A. Alm

Objective: Full time supervisory position in aircraft maintenance and or operations.

Aviation 1999 – Present Boston-Maine Airways Portsmouth, NH

Employment: **Director of Maintenance**

- FAR Part 135 Cargo / Passenger Operations
- Performed major refurbishment on CASA 212 & J-31 aircraft.
- Set up records department and procedures.

1997–1999 Louisville, KY

Self-employed contract aircraft maintenance / consulting

- C of C Inspections on CASA and deHavilland aircraft.
- Records research – document conformity inspections.
- Performed Import C of A Inspections on CASA 212 aircraft.

1996–1997 Fayard Enterprises Louisburg, NC

Maintenance Controller / CASA Advisor

- Planned maintenance requirements for a turboprop fleet.
- CASA 212, BE90, DHC-3 Import C of A's. – Conformity Inspections.
- CASA 212 Systems training.
- Implemented computer maintenance tracking system.
- Worked directly with DAR and FAA to obtain numerous Import Certificates of Airworthiness.

1993–1996 Thoroughbred Aircraft Services - Louisville, KY

Proprietor – Aircraft Maintenance / Inspections

- General aviation aircraft maintenance on singles and light twins.
- Aircraft ferrying service.
- Pre-purchase inspections

1992-1993 Larry's Flying Service – Fairbanks, AK

Director of Maintenance

- Scheduled and unscheduled passenger / freight operations – FAR 135.
- Single engine Pipers, Cessna's, BE-99 and C-212 aircraft.

Aviation

Employment:

(Continued)

1992–1993 CASA Aircraft, Inc. – Chantilly, VA.

Contract Maintenance – USCG Air Station Miami

- Inspection and maintenance on CASA 212 aircraft on lease from CASA.

1988 – 1992 American CASA / National Air – Riverside, CA.

Director of Maintenance

- Scheduled and unscheduled FAR 135 operations with CASA 212 aircraft.
- First Officer in CASA 212 for unscheduled Part 135 freight operations.
- Managed the refurbishment / major modification of CASA 212 aircraft.
- D.O.M FAR Part 145 Operations – CASA 212 and components, Garrett TPE 331 Engines.

Certifications:

- Airframe and Powerplant Certificate – 1984
- Inspection Authorization – 1988 (Expired)
- Commercial Pilot, ASMEL, Instrument – 1988
- CDL Class A

Training:

- TPE 331 Intermediate Course – 1991
- CASA 212 Systems / Flight Training – 1988
- Management in Commercial Aviation – 1990
- TPE 331 Line Maintenance – 1989
- MS-DOS – 1989
- Eddy Current I and II, Radiography I & II, Liquid Penetrant, Magnetic Particle, And Ultrasonic Inspection Methods, 1987 – 1998
- SA226/227 Line Maintenance. – 1987
- MS Windows NT4.0 – Networking Essentials – 1999

BOSTON-MAINE AIRWAYS CORP.
DOT Fitness Information Questionnaire

NOTE: This questionnaire will be submitted to the DOT in connection with BMA's DOT certificate application. Please answer all questions, with a more detailed explanation where requested, sign and date the form, and return it to Nat Breed at Shaw, Pittman via telecopier (202/663-8007) or air express service (2300 N Street, N.W., Washington, D.C. 20037). Please indicate if you desire for any part of your response to be kept confidential.

1. Please state your name and residence address:

JAMES W. HERRING

36 OAK STREET

SPRINGVALE, ME 04083

2. Title or Position with Company:

CHIEF INSPECTOR

3. Number and type of shares of Company stock owned, or to be acquired, if any:

NONE

4. Current Position, Business Address and Telephone: (complete only if you are not currently employed on a full-time basis by the Company)

N/A

5. Are you a citizen of the United States? Yes X No

6. If you are not a U.S. citizen, please indicate your nationality and current immigration status

N/A

7. Are you currently an officer, director or major shareholder (5 percent or more of the total stock), or do you have any other significant interest in, any other air carrier, foreign air carrier, common carrier, person substantially engaged in the business of aeronautics, or person whose principal business is the ownership or control of any such transportation or aeronautic activity? Yes ___ No X

(If your answer is "yes", please provide detailed information relating to each such relationship or interest in the space provided in Attachment A to this questionnaire).

8. Have you held, in the past, any position with any U.S. or foreign air carrier, or other aviation-related business? Yes X No ___

(If "yes", please provide information regarding all positions held, with dates of employment and responsibilities, and any other relevant information, on Attachment A, or attach a copy of a recent resume to this Questionnaire).

9. Are you the subject of any pending legal action, or outstanding judgment, involving a claim in excess of \$5,000? Yes ___ No X

(If "yes", please provide date and amount of each claim or judgment, and the name of each claimant or judgment creditor, in the space provided in Attachment A).

10. Are you the subject of any pending legal action, or outstanding judgment, involving a claim of less than \$5,000? Yes ___ No X

(If "yes", please supply the total number and aggregate amount of all claims and/or judgments outstanding against you in the space provided in Attachment A).

11. Have you been the subject of a formal complaint or enforcement investigation by the DOT or the FAA regarding compliance with the Federal Aviation Act of 1958, or any order, rule, regulation or other requirement issued pursuant to the Act, during the past five (5) years? Yes ___ No X

(If "Yes", describe each complaint, and indicate the current status or final disposition of each complaint in the space provided in Attachment A).

12. Have you been charged with any unfair or deceptive or anticompetitive business practices, or any fraud, felony or antitrust violation, during the past ten (10) years? Yes ___ No X

(If "yes", please describe, and indicate the disposition or current status of each proceeding in the space provided in Attachment A).

13. Have you been involved in any aircraft accident or incident during the past year, or in the past and which remains the subject of an open investigation by the FAA, NTSB or the Company? Yes ☐ No ☒

(If "yes", please state the date and other details, including the status of any pending investigations, in the space provided in Attachment A).

James W. Herring 04/17/2000
Signature Date

JAMES W. HERRING
Printed Name

Attachments
657282

Attachment A

DOT Fitness Questionnaire - Detailed Responses:

Name of Person Responding: _____

Question

No. _____ Detailed Response _____

James W. Herring
36 Oak street
Springvale, Me. 04083
(207) 490-2787 Hm.
(888) 975-0753 Pgr.

Experience:

Mar 98 to present **Pan Am/ Boston and Maine Airways (American Casa)**
Chief inspector/ Maintenance Supervisor

Supervised, and directed maintenance personnel for both the Air carrier and repair station. Responsible for training, RII items, and return to service of company aircraft.

Oct 96 to Mar 98 **Flight International**
Maintenance Supervisor

Supervised personnel in the administration and performance of inspecting maintaining, and repairing aircraft systems and components in support of daily flight operations. Developed, implemented and evaluated training procedures, ensuring personnel were trained in a safe and efficient manner. Assigned technicians to various tasks while maintaining an effective work force to complete assigned maintenance. Managed the hazardous waste material and foreign object damage programs.

Nov 89 to Oct 96 **American Casa/ National Air**
Dir. Maintenance

Inspected, repaired, and maintained aircraft for flight operations. Isolated and diagnosed aircraft systems and components using appropriate test equipment and publications. Trained new hire personnel in aircraft system familiarization, troubleshoot, and repair. Maintain aircraft records. Designed and fabricated hydraulic, and fuel test benches for the repair station.

Aug 87- Oct 89 **Hydraulic Manifold Technology**
Shop Foreman/Machinist

Programmed, operated and maintained CNC multiple axis milling machines. Coordinated and scheduled customer work orders to ensure all machine work was performed in a timely and efficient manner.

Education: Airframe and Powerplant license # 556590537
TPE 331 line maintenance course
Level II penetrant inspection/ Level II mag particle inspection
PT6-34 Engine control and rigging
EMB-110 Familiarization
C- 212 Familiarization
J-31 Familiarization
TPE-331 Hot section teardown / rebuild

BOSTON-MAINE AIRWAYS CORP.
Principal Shareholders

Boston-Maine Airways Corp. ("BMAC") is a wholly-owned subsidiary of Pan American Airlines, Inc. ("PAA"), which is a corporation organized under the laws of the State of Florida, and which is wholly owned by U.S. citizens, as identified below. The principal address of PAA is: 14 Aviation Avenue; Portsmouth, NH 03801. PAA also owns 100 percent of the common stock of Pan American Airways Corp. ("Pan Am"), which is a U.S.-certificated air carrier.

Virtually all (99.4 percent) of the common stock of PAA is owned by Mr. Timothy Mellon (94.2 percent) and Mr. David A. Fink (5.2 percent), both whom are U.S. citizens.¹ The residence addresses of Messrs. Mellon and Fink are set forth in their fitness questionnaire responses in Exhibit BMA-112. As indicated in that exhibit, both Mr. Mellon and Mr. Fink hold positions as officers and directors of PAA, Pan Am and BMAC. In addition, both Messrs. Mellon and Fink hold ownership and officer/director positions with several railroad companies engaged in common carriage transportation operations in the U.S.

¹ The remaining 0.6 percent of PAA's stock is owned by two other individuals, Mr. Richard S. Kelso and Mr. David Fink, both of whom serve as directors of PAL. Mr. David Fink is the son of Mr. David A. Fink.

100214

AGENCY DISPLAY OF ESTIMATED BURDEN

The public reporting burden for this collection of information is estimated to average 30 minutes per response. If you wish to comment on the accuracy of the estimate or make suggestions for reducing the burden, please direct your comments to the U.S. Department of Transportation, Office of Aviation Analysis, X-56, 400 7th Street, S.W., Washington, D.C. 20590.

PAPER WORK REDUCTION ACT OF 1995

Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The OMB control number is displayed in the upper right-hand corner of this form.



U.S. Department of
Transportation
Office of the Secretary
of Transportation

AIR TAXI OPERATOR AND COMMUTER AIR CARRIER REGISTRATION AND AMENDMENTS UNDER PART 298 OF THE REGULATIONS OF THE DEPARTMENT OF TRANSPORTATION

Air taxi: Submit this form in duplicate to the Federal Aviation Administration, Air Transportation Division AFS-200, 800 Independence Avenue S.W., Washington, D.C. 20591

Commuters: Submit this form in duplicate to Department of Transportation, Air Carrier Fitness Division, X-56, Office of Aviation Analysis, 400 7th Street S.W., Washington D.C. 20590

Fees: The fee for the initial registration of an air taxi is \$5. The fee for an initial registration of a commuter is \$670. Checks, drafts, or postal money orders should be payable to DOT. There is no filing fee for amendment to forms previously filed.

1a. Name (and DBA, if applicable) and Mailing Address of the Registering Carrier:

Boston-Maine Airways Corp. DBA Pan Am Services
14 Aviation Avenue
Pease International Tradeport
Portsmouth, NH 03801

1b. Telephone No. (603) 766-2005 Fax No. (603) 766-2094

2a. Address of principal place of business (if different from above):

Same as above

2b. Telephone No. Fax No.

4. This filing is the carrier's:

☒ Initial Registration

☐ Amendment to reflect changes since previous filing (Complete item 9)

If initial registration, give proposed date of commencement of operations:

5. Check type or types of service the carrier intends to perform upon commencement of operations, or, for amendments, service the carrier is currently performing:

☐ Scheduled passenger*

☐ On-demand passenger

☐ Air ambulance

☐ Scheduled cargo

☒ On-demand cargo

☐ Seasonal

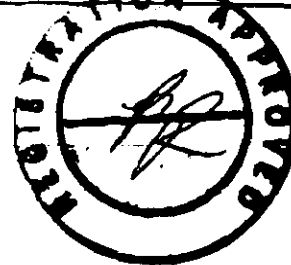
☐ Mail under a U.S. Postal Service contract

☐ Other (Please specify)**

* Check only if service is of at least five (5) round trips per week on at least one route between two or more points and is operated pursuant to published flight schedules which specify the times, days of the week, and places between which such flights are performed. If the registrant has not previously been found "fit, willing and able" to perform scheduled passenger service as a commuter, this registration should be accompanied by the evidence required by 14 CFR 234.3 and, if applicable, 234.4.

** For example, if the carrier performs other services such as fire fighting operations for the U.S. Forest Service, it should be indicated here.

FOR USE BY DOT ONLY



Effective date of registration/amendment:

MAY 10 1999

3a. Federal Aviation Administration certificate number:

B16A

3b. Address of local FAA office:

3c. FAA Telephone No.:

3d. FAA Principal Operations Inspector:

6. Aircraft which the carrier proposes to operate in air taxi or commuter service or, for amendments, aircraft currently operated:			7. Is the registering carrier a U.S. citizen?
Aircraft Make and Model	FAA Registration Number	Passenger Seats Installed	
1. CASA 212-200	N203PA	0	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <small>NOTE: An air taxi or commuter registered under Part 298 must be a citizen of the United States. The Federal Aviation Act defines a citizen as (a) an individual who is a U.S. citizen; (b) a partnership of which each member is a U.S. citizen; or (c) a corporation of which the President and two-thirds or more of the Officers and Directors are U.S. citizens and at least 75 percent of the voting interest is owned or controlled by U.S. citizens.</small>
2. CASA 212-200	N204PA	0	
3. _____	_____	_____	
4. _____	_____	_____	
5. _____	_____	_____	
<small>(Add additional sheets if necessary)</small>			8. If this is an amendment, has the carrier carried passengers in foreign air transportation, that is, between any point in the United States and any point outside thereof, during the past 12 months: <input type="checkbox"/> YES <input type="checkbox"/> NO
<small>* This does not include seats occupied by the pilot or co-pilot unless the latter is available for passenger use.</small>			

9. REPORT CHANGES OR AMENDMENTS TO INFORMATION PREVIOUSLY FILED WITHIN 30 DAYS OF THE EFFECTIVE DATE:

a. Change in Carrier's Name and/or Address: *(Please specify):*

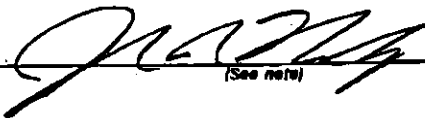
<i>Former Name and Address:</i>	<i>Current Name and Address:</i>
---------------------------------	----------------------------------

Not Applicable

b. Description of Any Other Changes or Amendments (including additions or deletions of aircraft, change in type of operations, registration numbers, etc.):

10. Certification

I certify that the information contained in this application is complete and accurate to the best of my knowledge. If operating as a commuter air carrier or in foreign air transportation or participating in an interline agreement, the carrier subscribes to Agreement 18900 (see OST Form 4523), and in accordance with that Agreement agrees that a liability limit of not less than \$75,000 shall apply under Article 22(1) of the Warsaw Convention for passenger injury or death in international transportation as defined in the Convention.

Signature: 
(See note)

Date: 1 April 1999 Name: John Nadolny
(Please type)

Place: Portsmouth, NH Title: Vice President
(City and State)

NOTE: This registration must be signed by a responsible officer, such as the President, Vice President, Secretary or Treasurer, or partner or owner of the carrier.

TO INSURE PROPER PROCESSING OF THIS REGISTRATION, PLEASE COMPLETE THIS FORM IN ITS ENTIRETY.



U.S. Department
of Transportation
Federal Aviation
Administration

Air Carrier Certificate

This certifies that

BOSTON-MAINE AIRWAYS, CORP.
d/b/a PAN AM
14 AVIATION AVENUE
PORTSMOUTH, N.H. 03801

has met the requirements of the Federal Aviation Act of 1958, as amended, and the rules, regulations, and standards prescribed thereunder for the issuance of this certificate and is hereby authorized to operate as an air carrier and conduct common carriage operations in accordance with said Act and the rules, regulations, and standards prescribed thereunder and the terms, conditions, and limitations contained in the approved operations specifications.

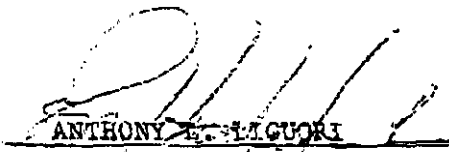
This certificate is not transferable and, unless sooner surrendered, suspended, or revoked, shall continue in effect indefinitely.

By Direction of the Administrator.

Certificate number: B16A009J

Effective date: JUNE 16, 1999

Issued at NE05


ANTHONY E. LIGOURI
(Signature)

MANAGER
(Title)

NE-FSDO-05
(Region/Office)

Office
des transports
du Canada



Canadian
Transportation
Agency

Date: 1999-09-17

Licence N°
Licence No. 990126

Licence internationale service à la demande délivrée à

Non-scheduled international licence issued to

BOSTON-MAINE AIRWAYS, CORP.

faisant affaires sous la raison sociale de

doing business as

PAN AM

par l'Office des transports du Canada conformément au paragraphe 73(2) de la *Loi sur les transports au Canada*, L.C. (1996), ch. 10 (ci-après la LTC) et suivant l'Accord relatif au transport aérien entre le gouvernement du Canada et le gouvernement des États-Unis d'Amérique signé le 24 février 1995 (ci-après l'Accord) autorisant la licenciée à exploiter un service international à la demande, sous réserve des conditions prescrites par le *Règlement sur les transports aériens*, DORS/88-58, dans sa version la plus récente (ci-après le RTA), des conditions exigeant la détention d'un document d'aviation canadien délivré par le ministre des Transports et de la police d'assurance responsabilité réglementaire prévue à l'article 7 du RTA, et des conditions suivantes auxquelles la licence est assujettie conformément au paragraphe 74(1) de la LTC :

by the Canadian Transportation Agency pursuant to subsection 73(2) of the *Canada Transportation Act*, S.C., 1996, c. 10 (hereinafter the CTA) and in accordance with the *Air Transport Agreement* between the Government of Canada and the Government of the United States of America signed on February 24, 1995 (hereinafter the Agreement) that permits the Licensee to operate a non-scheduled international service subject, in addition to the conditions prescribed by the *Air Transportation Regulations*, SOR/88-58, as amended (hereinafter the ATR), to the requirements to hold a Canadian aviation document issued by the Minister of Transport and to have prescribed liability insurance coverage as set out in section 7 of the ATR, and to the following terms and conditions to which the licence is made subject pursuant to subsection 74(1) of the CTA:

CONDITIONS

1. La licenciée est autorisée à effectuer des vols affrétés de transport de marchandises entre des points situés aux États-Unis d'Amérique et des points situés au Canada.
2. Il est interdit à la licenciée d'acheminer du trafic local entre des points situés au Canada.

1. The Licensee is authorized to transport goods on a charter basis between points in the United States of America and points in Canada.
2. The Licensee is prohibited from carrying local traffic between points in Canada.

(au verso)

(over)

- 2 -

3. Le service international à la demande autorisé par les présentes devra être exploité sous réserve des dispositions de l'Accord et des ententes s'y rattachant que pourroient conclure le Canada et les États-Unis d'Amérique.
3. The operation of the non-scheduled international service authorized herein shall be conducted subject to the provisions of the Agreement and to any arrangements related thereto as may be agreed to between Canada and the United States of America.
4. À moins qu'il y soit mis un terme plus tôt en vertu de la LTC ou de l'Accord, la présente licence expirera à la résiliation ou à l'expiration de l'Accord ou à la date d'entrée en vigueur de toute modification de l'Accord qui aura pour effet d'abroger les droits autorisés par les présentes.
4. Unless terminated at an earlier date in accordance with the CTA or the Agreement, this licence shall terminate at the termination or expiration of the Agreement, or upon the effective date of any amendment to the Agreement which shall have the effect of eliminating the rights herein authorized.


Secrétaire / Secretary
Office des transports du Canada / Canadian Transportation Agency

Ottawa (Ontario) K1A 0N9
www.cta-otc.gc.ca

Ottawa Ontario K1A 0N9
www.cta-otc.gc.ca

Canada

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Application of

BOSTON-MAINE AIRWAYS CORP.

for issuance of a certificate of public convenience and
necessity pursuant to 49 U.S.C. § 41102

Docket OST-00-_____

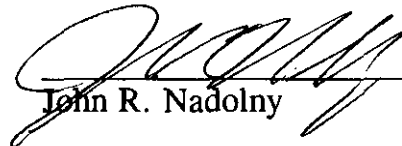
AFFIDAVIT OF CITIZENSHIP

John R. Nadolny, being duly sworn, deposes and says:

1. That he is duly elected, qualified, and serving as Senior Vice President, General Counsel and Secretary of Boston-Maine Airways Corp., and that he is authorized to and does make this affidavit for it.

2. That Boston-Maine Airways Corp. is a New Hampshire corporation, of which the President and more than two-thirds of the directors and managing officers, and the owners of more than 75 percent of the voting interest of the company, are citizens of the United States.

3. That, on the basis of foregoing facts, he believes that Boston-Maine Airways Corp. is a citizen of the United States within the meaning of 49 U.S.C. § 41102(a)(15) of the Federal Aviation Statutes.


John R. Nadolny

State of New Hampshire)
County of Rockingham)

Subscribed and sworn to before me this 17 day of July, 2000.


Notary Public

My commission expires _____.


M. Blanche Abbott
Notary Public
My Commission Expires
May 12, 2004

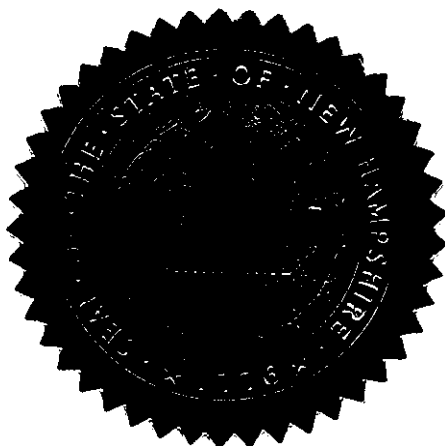
State of New Hampshire
Department of State

CERTIFICATE OF EXISTENCE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that BOSTON - MAINE AIRWAY CORP. is a New Hampshire corporation duly incorporated under the laws of the State of New Hampshire on March 22, 1999. I further certify that all fees and annual reports required by the Secretary of State's office have been received and that articles of dissolution have not been filed.

IN TESTIMONY WHEREOF, I
hereto set my hand and cause to
be affixed the Seal of the State
of New Hampshire this 14th
day of July, 2000


William M. Gardner
Secretary of State



**BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Application of

BOSTON-MAINE AIRWAYS CORP.

for issuance of a certificate of public convenience and
necessity pursuant to 49 U.S.C. § 41102

Docket OST-00-_____

CERTIFICATION

Pursuant to Title 18 United States Code Section 1001, I, John R. Nadolny, in my individual capacity and as Senior Vice President, General Counsel and Secretary of the applicant, have not in any manner knowingly and willfully falsified, concealed or covered up any material fact or made any false, fictitious, or fraudulent statement or knowingly used any documents which contain such statements in connection with the preparation, filing or prosecution of this application. I understand that an individual who is found to have violated the provisions of 18 U.S.C. 1001 may be fined not more than \$10,000 or imprisoned not more than five years, or both.


John R. Nadolny

State of New Hampshire)
County of Rockingham)

Subscribed and sworn to before me this 17 day of July, 2000.


Notary Public

My commission expires _____.

959307

M. Blanche Abbott
Notary Public
My Commission Expires
May 12, 2004



U.S. Department of
Transportation
Office of the Secretary
of Transportation

AGREEMENT

The undersigned carriers (hereinafter referred to as "the Carriers") hereby agree as follows:

1. Each of the Carriers shall, effective May 16, 1966, include the following in its conditions of carriage, including tariffs embodying conditions of carriage filed by it with any government:

"The Carrier shall avail itself of the limitation of liability provided in the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw October 12th, 1929, or provided in the said Convention as amended by the Protocol signed at The Hague September 28th, 1955. However, in accordance with Article 22(1) of said Convention, or said Convention as amended by said Protocol, the Carrier agrees that, as to all international transportation by the Carrier as defined in the said Convention or said Convention as amended by said Protocol, which, according to the contract of Carriage, includes a point in the United States of America as a point of origin, point of destination, or agreed stopping place

- (1) The limit of liability for each passenger for death, wounding, or other bodily injury shall be the sum of US \$75,000 inclusive of legal fees and costs, except that, in case of a claim brought in a State where provision is made for separate award of legal fees and costs, the limit shall be the sum of US \$58,000 exclusive of legal fees and costs.
- (2) The Carrier shall not, with respect to any claim arising out of the death, wounding, or other bodily injury of a passenger, avail itself of any defense under Article 20(1) of said Convention or said Convention as amended by said Protocol.

Nothing herein shall be deemed to affect the rights and liabilities of the Carrier with regard to any claims brought by, on behalf of, or in respect of any person who has willfully caused damage which resulted in death, wounding, or other bodily injury of a passenger."

2. Each Carrier shall, at the time of delivery of the ticket, furnish to each passenger whose transportation is governed by the Convention, or the Convention as amended by the Hague Protocol, and by the special contract described in paragraph 1, the following notice, which shall be printed in type at least as large as 10 point modern type and in ink contrasting with the stock on (i) each ticket; (ii) a piece of paper either placed in the ticket envelope with the ticket or attached to the ticket; or (iii) on the ticket envelope:

*ADVICE TO INTERNATIONAL PASSENGER ON LIMITATION OF LIABILITY

Passengers on a journey involving an ultimate destination or a stop in a country other than the country of origin are advised that the provisions of a treaty known as the Warsaw Convention may be applicable to the entire journey, including any portion entirely within the country of origin or destination. For such passengers on a journey to, from, or with an agreed stopping place in the United States of America, the Convention and special contracts of carriage embodied in applicable tariffs provide that the liability of [certain] *

[(name of carrier) and certain other] carriers parties to such special contracts for death or personal injury to passengers is limited in most cases to proven damages not to exceed US \$75,000 per passenger, and that this liability up to such limit shall not depend on negligence on the part of the carrier. For such passengers traveling by a carrier not a party to such special contracts or on a journey not to, from, or having an agreed stopping place in the United States of America, liability of the carrier for death or personal injury to passengers is limited in most cases to approximately US \$10,000 or US \$20,000.

The names of Carriers parties to such special contracts are available at all ticket offices of such carriers and may be examined on request.


Additional protection can usually be obtained by purchasing insurance from a private company. Such insurance is not affected by any limitation of the carrier's liability under the Warsaw Convention or such special contracts of carriage. For further information please consult your airline or insurance company representative."

3. [The Agreement was filed with the Civil Aeronautics Board of the United States. The Board approved it by Order E-23680, adopted May 13, 1966. The Agreement (Agreement 18900) became effective May 16, 1966. On January 1, 1985, this Agreement became the responsibility of the Department of Transportation (DOT) by operation of law.]

4. This Agreement may be signed in any number of counterparts, all of which shall constitute one Agreement. Any Carrier may become a party to this Agreement by signing a counterpart hereof and depositing it with DOT.

5. Any Carrier party hereto may withdraw from this Agreement by giving twelve (12) months' written notice of withdrawal to DOT and the other Carriers parties to the Agreement.

* Either alternative may be used.


[signature and title]
David A. Fink, President

[name of carrier]
Boston-Maine Airways Corp.
14 Aviation Avenue
Portsmouth, NH 03801 [address of carrier]

BOSTON-MAINE AIRWAYS CORP.
Articles of Incorporation and By-Laws

State of New Hampshire
Department of State

CERTIFICATE OF INCORPORATION

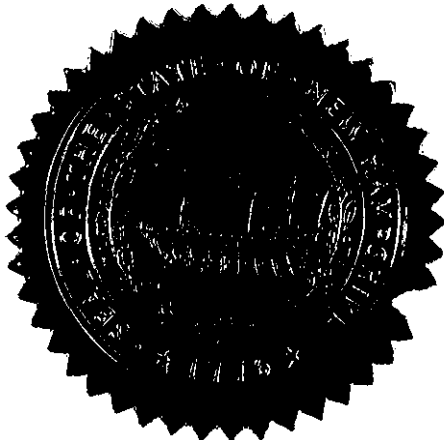
OF

BOSTON - MAINE AIRWAYS CORP.

The undersigned, as Deputy Secretary of State of the State of New Hampshire, hereby certifies that Articles of Incorporation for the incorporation of BOSTON - MAINE AIRWAYS CORP., duly signed pursuant to the provisions of the New Hampshire Business Corporation Act, have been received in this office.

ACCORDINGLY the undersigned, as such Deputy Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation of BOSTON - MAINE AIRWAYS CORP. and attaches hereto a copy of the Articles of Incorporation.

IN TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 22nd day of March A.D. 1999



Robert P. Ambrose

Robert P. Ambrose
Deputy Secretary of State

FILED

STATE OF NEW HAMPSHIRE
ARTICLES OF INCORPORATION
OF
BOSTON - MAINE AIRWAYS CORP.

MAR 22 1999

WILLIAM M. GARDNER
NEW HAMPSHIRE
SECRETARY OF STATE

THE UNDERSIGNED, ACTING AS INCORPORATOR OF A CORPORATION UNDER THE NEW HAMPSHIRE BUSINESS CORPORATION ACT, ADOPTS THE FOLLOWING ARTICLES OF INCORPORATION FOR SUCH CORPORATION:

FIRST: The name of the corporation is

BOSTON - MAINE AIRWAYS CORP.

SECOND: The corporation is empowered to transact any and all lawful business for which corporations may be incorporated under RSA 293-A and the principal purpose or purposes for which the corporation is organized are:

To provide commercial aviation services and to own or lease real and personal property as necessary to provide such services.

THIRD: The aggregate number of shares which the corporation shall have authority to issue is:

10,000 Shares

FOURTH: The capital stock will be sold or offered for sale within the meaning of RSA 421-B.

FIFTH: Provisions, if any, for the limitation or denial of preemptive rights:

The Corporation elects to have preemptive rights, which are not limited or denied with respect to any shareholder.

SIXTH: Provision eliminating or limiting personal liability of directors or officers:

Directors and Officers of the Corporation shall be entitled to indemnification from personal liability in accordance with the provisions of RSA 293-A:8.51 - 8.58, and as allowed by law.

FILED

MAR 22 1999

WILLIAM M. GARDNER
NEW HAMPSHIRE
SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF BOSTON - MAINE AIRWAYS, CORP.

SEVENTH: The address of the initial registered office of the corporation is:

**14 Aviation Avenue
Portsmouth, NH 03801**

and the name of its initial registered agent at such address is

John Nadolny, Esquire

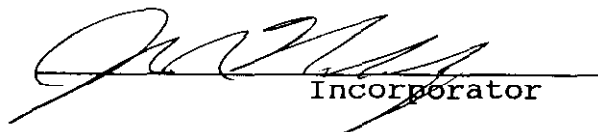
EIGHTH: The number of directors constituting the initial board of directors of the corporation is **four**, and the names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and shall qualify are:

<u>Name</u>	<u>Address</u>
Timothy Mellon	14 Aviation Avenue Portsmouth, NH 03801
David A. Fink	14 Aviation Avenue Portsmouth, NH 03801
D. Armstrong Fink	Iron Horse Park N. Billerica, MA 08162-1692
Richard S. Kelso	14 Aviation Avenue Portsmouth, NH 03801

NINTH: The name and address of each incorporator is:

<u>Name</u>	<u>Address</u>
John Nadolny	14 Aviation Avenue Portsmouth, NH 03801

Dated MARCH 15, 1999


Incorporator

**FORM 11-A
ADDENDUM TO ARTICLES OF INCORPORATION**

STATEMENT PURSUANT TO NH RSA 421-B:11, II

CORPORATION NAME: BOSTON - MAINE AIRWAYS CORP.

BUSINESS ADDRESS: 14 AVIATION AVENUE, PORTSMOUTH, NH 03801

CONTACT PERSON: JOHN NADOLNY, ESQUIRE TELEPHONE NUMBER: (603) 766-2002

I am aware that under the New Hampshire Uniform Securities Act, RSA 421-B:17, II(k) provides an exemption from securities registration if the aggregate number of holders of the corporation's securities¹ does not exceed ten (10), provided that no advertising² has been published or circulated in connection with any such securities sale¹, and all securities sales are consummated within 60 days after the date of incorporation.

COMPLETE EITHER ITEM 1, 2 OR 3 BELOW

1) If the corporation will be in compliance with RSA 421-B:17, II(k), the above statute, check this line: XXX

2) If the corporation has registered or will register its securities for sale in the State of New Hampshire, enter the date the registration statement was or will be filed with the Bureau of Securities Regulation: _____

3) If the corporation will offer its securities for sale in New Hampshire under an exemption from registration requirements and RSA 421-B:17, II(k) (see above) does not apply, cite the statutory exemption claimed for the sale of the corporation's securities: _____

For assistance with questions relating to securities only, call the Bureau of Securities Regulation at (603) 271-1463. For all other questions, call the Corporation Division at (603) 271-3244.

COMPLETE THIS CERTIFICATION - ORIGINAL MUST BE FILED

I (We) hereby certify that the securities of the corporation have been registered under RSA 421-B, the New Hampshire Uniform Securities Act ("the Act"); or, when offered will be registered under the Act; or are or when offered will be exempted from registration under the Act; or are or when offered will be offered in a transaction exempted from registration under the Act. I (We) further certify that the articles of incorporation state whether the capital stock will be sold or offered for sale within the meaning of the Act. I (We) certify that the person(s) signing this form includes all the incorporators, and that the foregoing is true and complete to the best of my (our) knowledge.

Name (print): **JOHN NADOLNY, ESQUIRE**

Signature: _____

Date: MARCH 15, 1999

0127921.WP

¹ Virtually all new incorporations legally involve a "sale" of securities to the new owners, even if there is no cash payment for such securities.

² The term "advertising" used here applies to any written material distributed to sell securities, not product advertising.

BYLAWS OF BOSTON - MAINE AIRWAYS CORP.

ARTICLE I. OFFICES

§ 1.1 Business Office.

The principal office of the corporation shall be located at any place either within or without the State of New Hampshire as designated in the company's most current Annual Report filed with the New Hampshire Secretary of State. The corporation may have such other offices, either within or without the State of New Hampshire as the board of directors may designate or as the business of the corporation may require from time to time. The corporation shall maintain at its principal office a copy of certain records, as specified in § 2.14 of Article II.

§ 1.2 Registered Office.

The registered office of the corporation, shall be located within New Hampshire and may be, but need not be, identical with the principal office (if located within New Hampshire). The address of the registered office may be changed from time to time as the President may determine.

ARTICLE II. SHAREHOLDERS

§ 2.1 Annual Shareholder Meeting.

The annual meeting of the shareholders shall be held on the _____ of _____, in each year, beginning with the year 1999, at the hour of _____ o'clock __.M., or at such other time on such other day within such month as shall be fixed by the board of directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of New Hampshire such meeting shall be held on the next succeeding business day.

If the election of directors shall not be held on the day designated herein for any annual meeting of the shareholders, or at any subsequent continuation after adjournment thereof, the board of directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as convenient.

§ 2.2 Special Shareholder Meetings.

Special meetings of the shareholders, for any purpose or purposes, described in the meeting notice, may be called by the president, or by the board of directors, and shall be called by the president at the request of the holders of not less than one-tenth of all outstanding votes of the corporation entitled to be cast on any issue proposed to be considered at the special meeting.

§ 2.3 Place of Shareholder Meeting.

The board of directors may designate any place, either within or without the State of New Hampshire as the place of meeting for any annual or any special meeting of the shareholders, unless by written consents, which may be in the form of waivers of notice or otherwise, all shareholders entitled to vote at the meeting designate a different place, either within or without the State of New Hampshire, as the place for the holding of such meeting. If no designation is made by either the directors or by unanimous action of the voting shareholders, the place of meeting shall be the principal office of the corporation.

§ 2.4 Notice of Shareholder Meeting.

- (a) *Required Notice.* Written notice stating the place, day and hour of any annual or special shareholder meeting shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally or by mail, by or at the direction of the president, the board of directors, or other persons calling the meeting, to each shareholder of record, entitled to vote at such meeting and to any other shareholder entitled by the New Hampshire Business Corporation Act or the articles of incorporation to receive notice of the meeting. Notice shall be deemed to be effective at the earlier of: (1) the date when deposited in the United States Mail, addressed to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid; (2) the date shown on the return receipt if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; (3) the date when received; or (4) five (5) days after deposit in the United States mail, if mailed postpaid and correctly addressed to an address other than that shown in the corporation's current record of shareholders.

- (b) *Adjourned Meeting.* If any shareholder meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, and place, if the new date, time, and place is announced at the meeting before adjournment. But if a new record date for the adjourned meeting is, or must be fixed (see § 2.5 of this Article II), then notice must be given pursuant to the requirements of paragraph (a) of this § 2.4, to those persons who are shareholders as of the new record date.
- (c) *Waiver of Notice.* The shareholder may waive notice of the meeting (or any notice required by the Act, articles of incorporation, or bylaws) by a writing signed by the shareholder entitled to the notice, which is delivered to the corporation (either before or after the date and time stated in the notice) for inclusion in the minutes or filing with the corporate records.

A shareholder's attendance at a meeting:

- (1) waives objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting;
 - (2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.
- (d) *Contents of Notice.* The notice of each special shareholder meeting shall include a description of the purpose or purposes for which the meeting is called. Except as provided in this § 2.4(d), or as provided in the corporation's articles, or otherwise in the New Hampshire Business Corporation Act, the notice of an annual shareholder meeting need not include a description of the purpose or purposes for which the meeting is called.

If a purpose of any shareholder meeting is to consider either:

- (1) a proposed amendment to the articles of incorporation (including any restated articles requiring shareholder approval);
- (2) a plan of merger or share exchange;

- (3) the sale, lease, exchange or other disposition of all, or substantially all, of the corporation's property, otherwise than in the usual and regular course of business;
- (4) the dissolution of the corporation; or
- (5) the removal of a director, then the notice must so state and be accompanied by, respectively, a copy or a summary of the (a) amendment; (b) plan of merger or share exchange; or (c) the description of the transaction for the disposition of all, or substantially all, of the corporation's property.

If the proposed corporate action creates dissenters' rights, the notice must state that shareholders are or may be entitled to assert dissenters' rights, and must be accompanied by a copy of the New Hampshire Business Corporation Act. If the corporation issues or authorizes the issuance of shares for promissory notes or for promises to render services in the future, the corporation shall report in writing to all the shareholders the number of shares authorized or issued, and the consideration received with or before the notice of the next shareholders' meeting. Likewise, if the corporation indemnifies or advances expenses to a director (as defined in NH RSA 293-A:16.21), this shall be reported in writing to all the shareholders with or before the notice of the next shareholders' meeting.

§ 2.5 Fixing of Record Date.

For the purpose of determining shareholders of any voting group entitled to notice of or to vote at any meeting of shareholders, or shareholders entitled to receive payment of any distribution or dividend, or in order to make a determination of shareholders for any other proper purpose, the board of directors may fix in advance a date as the record date. Such record date shall not be more than seventy (70) days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken.

If no record date is so fixed by the board for the determination of shareholders entitled to notice of, or to vote at a meeting of shareholders, or shareholders entitled to receive a share dividend or distribution, the record date for determination of such shareholders shall be at the close of business on:

- (a) With respect to an annual shareholder meeting or any special shareholder meeting called by the board or any person specifically authorized by the board or these

bylaws to call a meeting, the day before the first notice is delivered to shareholders;

- (b) With respect to a special shareholder's meeting demanded by the shareholders, the date the first shareholder signs the demand;
- (c) With respect to the payment of a share dividend, the date the board authorizes the share dividend;
- (d) With respect to actions taken in writing without a meeting (pursuant to Article II, § 2.12), the date the first shareholder signs a consent;
- (e) And with respect to a distribution to shareholders, (other than one involving a repurchase or reacquisition of shares), the date the board authorizes the distribution.

When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof unless the board of directors fixes a new record date which it must do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting.

§ 2.6 Shareholder List.

The officer or agent having charge of the stock transfer books for shares of the corporation shall make a complete record of the shareholders entitled to vote at each meeting of shareholders thereof, arranged in alphabetical order, with the address of and the number of shares held by each.

The list must be arranged by voting group (if such exists, see Art. II, § 2.7) and within each voting group by class or series of shares.

The shareholder list must be available for inspection by any shareholder, beginning two (2) business days after notice of the meeting is given for which the list was prepared and continuing through the meeting. The list shall be available at the corporation's principal office or at a place identified in the meeting notice in the city where the meeting is to be held. A shareholder, his agent, or attorney is entitled on written demand to inspect and, subject to the requirements of § 2.14 of this Article II, to copy the list during regular business hours and at his expense, during the period it is available for inspection. The corporation will make the shareholders' list available at the meeting, and any shareholder, her agent, or attorney is entitled

to inspect the list at any time during the meeting or any adjournment.

The corporation shall maintain the shareholder list in written form or in another form capable of conversion into written form within a reasonable time.

§ 2.7 Shareholder Quorum and Voting Requirements.

If the articles of incorporation or the New Hampshire Business Corporation Act provides for voting by a single voting group on a matter, action on that matter is taken when voted upon by that voting group.

Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. Unless the articles of incorporation, a bylaw adopted pursuant to § 2.8 of this Article II, or the New Hampshire Business Corporation Act provides otherwise, a majority of the votes entitled to be cast on the matter by the voting group constitutes a quorum of that voting group for action on that matter.

If the articles of incorporation or the New Hampshire Business Corporation Act provides for voting by two or more voting groups on a matter, action on that matter is taken only when voted upon by each of those voting groups counted separately. Action may be taken by one voting group on a matter even though no action is taken by another voting group entitled to vote on the matter.

Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

If a quorum exists, action on a matter (other than the election of directors) by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the articles of incorporation, a bylaw adopted pursuant to § 2.8 of this Article II, or the New Hampshire Business Corporation Act requires a greater number of affirmative votes.

§ 2.8 Increasing Either Quorum or Voting Requirements.

For purposes of this § 2.8, a "supermajority" quorum is a requirement that more than a majority of the votes of the voting group be present to constitute a quorum; and a "supermajority" voting requirement is any requirement that requires the vote of more than a majority of the affirmative votes of a voting group at a meeting.

The shareholders, but only if specifically authorized to do so by the articles of incorporation, may adopt, amend, or delete a bylaw which fixes a "supermajority" quorum or "supermajority" voting requirement.

The adoption or amendment of a bylaw that adds, changes, or deletes a "supermajority" quorum or voting requirement for shareholders must meet the same quorum requirement and be adopted by the same vote and voting groups required to take action under the quorum and voting requirement then in effect or proposed to be adopted, whichever is greater.

A bylaw that fixes a supermajority quorum or voting requirement for shareholders may not be adopted, amended, or repealed by the board of directors.

§ 2.9 Proxies.

At all meetings of shareholders, a shareholder may vote in person, or vote by proxy which is executed in writing by the shareholder or which is executed by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the corporation or other person authorized to tabulate votes before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution unless otherwise provided in the proxy.

§ 2.10 Voting of Shares.

Unless otherwise provided in the articles, each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

Absent special circumstances, the shares of the corporation are not entitled to vote if they are owned, directly or indirectly, by a second corporation, and the corporation owns, directly or indirectly, a majority of the shares entitled to vote for directors of the second corporation. Provided, however, the prior sentence shall not limit the power of the corporation to vote any shares, including its own shares, held by it in a fiduciary capacity.

Redeemable shares are not entitled to vote after notice of redemption is mailed to the holders and a sum sufficient to redeem the shares has been deposited with a bank, trust company, or other financial institution under an irrevocable obligation to pay the holders the redemption price on surrender of the shares.

§ 2.11 Corporation's Acceptance of Votes.

- (a) If the name signed on a vote, consent, waiver, or proxy appointment corresponds to the name of a shareholder, the corporation, if acting in good faith, is entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the shareholder.
- (b) If the name signed on a vote, consent, waiver, or proxy appointment does not correspond to the name of its shareholder, the corporation, if acting in good faith, is nevertheless entitled to accept the vote, consent, waiver, or proxy appointment and give it effect as the act of the shareholder if:
 - (1) the shareholder is an entity as defined in the New Hampshire Business Corporation Act and the name signed purports to be that of an officer or agent of the entity;
 - (2) the name signed purports to be that of an administrator, executor, trustee, guardian, or conservator representing the shareholder and, if the corporation requests, evidence of fiduciary status acceptable to the corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;
 - (3) the name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the corporation requests, evidence of this status acceptable to the corporation has been presented with respect to the vote, consent, waiver, or proxy appointment;
 - (4) the name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the corporation requests, evidence acceptable to the corporation of the signatory's authority to sign for the shareholder has been presented with respect to the vote, consent, waiver, or proxy appointment; or
 - (5) two or more persons are the shareholder as co-tenants or fiduciaries and the name signed purports to be the

name of at least one of the co-owners and the person signing appears to be acting on behalf of all the co-owners.

- (c) The corporation is entitled to reject a vote, consent, waiver, or proxy appointment if the secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.

§ 2.12 Informal Action by Shareholders.

Any action required or permitted to be taken at a meeting of the shareholders may be taken without a meeting if the action is taken by all the shareholders entitled to vote on the action. The action must be evidenced by one or more written consents, setting forth the action so taken, signed by all of the shareholders entitled to vote with respect to the subject matter thereof, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.

If the act to be taken requires that notice be given to non-voting shareholders, the corporation shall give the non-voting shareholders written notice of the proposed action at least 10 days before the action is taken, which notice shall contain or be accompanied by the same material that would have been required if a formal meeting had been called to consider the action.

A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

§ 2.13 Voting for Directors.

Unless otherwise provided in the articles of incorporation, directors are elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present.

§ 2.14 Shareholder's Rights to Inspect Corporate Records.

- (a) *Minutes and Accounting Records.* The corporation shall keep as permanent records, minutes of all meetings of its shareholders and board of directors, a record of all actions taken by the shareholders or board of directors without a meeting, and a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the corporation. The corporation shall maintain appropriate accounting records.

- (b) *Absolute Inspection Rights of Records Required at Principal Office.* If a shareholder gives the corporation written notice of his demand at least five (5) business days before the date on which he wishes to inspect and copy, a shareholder (or his agent or attorney) has the right to inspect and copy, during regular business hours, any of the following records,

all of which the corporation is required to keep a copy of at its principal office:

- (1) its articles or restated articles of incorporation and all amendments to them currently in effect;
 - (2) its bylaws or restated bylaws and all amendments to them currently in effect;
 - (3) resolutions adopted by its board of directors creating one or more classes or series of shares, and fixing their relative rights, preferences, and limitations, if shares issued pursuant to those resolutions are outstanding;
 - (4) the minutes of all shareholders' meetings, and records of all action taken by shareholders without a meeting, for the past three (3) years;
 - (5) all written communications to shareholders generally within the past three (3) years, including the financial statements furnished for the past three (3) years to the shareholders;
 - (6) a list of the names and business addresses of its current directors and officers; and,
 - (7) its most recent annual report delivered to the Secretary of State.
- (c) *Conditional Inspection Right.* In addition, if: a shareholder of a corporation gives the corporation a written demand made in good faith and for a proper purpose at least five (5) business days before the date on which he wishes to inspect and copy; she describes with reasonable particularity her purpose and the records she desires to inspect; and the records are directly connected with her purpose, a shareholder of a corporation (or her agent or attorney) is entitled to inspect and copy, during regular business hours at a reasonable location specified by the corporation, any of the following records of the corporation:

- (1) excerpts from minutes of any meeting of the board of directors, records of any action of a committee of the board of directors on behalf of the corporation, minutes of any meeting of the shareholders, and records of action taken by the shareholders or board of directors without a meeting, to the extent not subject to inspection under paragraph (a) of this § 2.14;
 - (2) accounting records of the corporation; and
 - (3) the record of shareholders (compiled no earlier than the date of the shareholder's demand).
- (d) *Copy costs.* The right to copy records includes, if reasonable, the right to receive copies made by photographic, xerographic, or other means.

The corporation may impose a reasonable charge, covering the costs of labor and material, for copies of any documents provided to the shareholder. The charge may not exceed the estimated cost of production or reproduction of the records.

- (e) *Shareholder Includes Beneficial Owner.* For purposes of this § 2.14, the term "shareholder" shall include a beneficial owner whose shares are held in a voting trust or by a nominee on his behalf.

§ 2.15 Financial Statements Shall Be Furnished to the Shareholders.

- (a) The corporation shall furnish its shareholders annual financial statements, which may be consolidated or combined statements of the corporation and one or more of its subsidiaries, as appropriate, that include a balance sheet as of the end of the fiscal year, an income statement for that year, and a statement of changes in shareholders' equity for the year unless that information appears elsewhere in the financial statements. If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements for the shareholders also must be prepared on that basis.
- (b) If the annual financial statements are reported upon by a public accountant, his report must accompany them. If not, the statements must be accompanied by a statement of the president or the person responsible for the corporation's accounting records:
 - (1) stating his reasonable belief whether the statements were prepared on the basis of generally accepted

accounting principles, and, if not, describing the basis of preparation; and

- (2) describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.
- (c) A corporation shall mail the annual financial statements to each shareholder within one hundred twenty (120) days after the close of each fiscal year. Thereafter, on written request from a shareholder who was not mailed the statements, the corporation shall mail him the latest financial statements.

§ 2.16 Dissenters' Rights.

Each shareholder shall have the right to dissent from certain corporate actions, and obtain payment for his shares when so authorized by the New Hampshire Business Corporation Act, the articles of incorporation, these bylaws, or in a resolution of the board of directors.

ARTICLE III. BOARD OF DIRECTORS

§ 3.1 General Powers.

Unless the articles of incorporation have dispensed with or limited the authority of the board of directors by describing who will perform some or all of the duties of the board of directors, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the board of directors.

§ 3.2 Number, Tenure, and Qualifications of Directors.

Unless otherwise provided in the articles of incorporation, the number of directors of the corporation shall be four. Each director shall hold office until the next annual meeting of shareholders or until removed. However, if his term expires, he shall continue to serve until his successor shall have been elected and qualified or until there is a decrease in the number of directors.

Directors need not be residents of the State of New Hampshire or shareholders of the corporation unless so required by the articles of incorporation.

§ 3.3 Regular Meetings of the Board of Directors.

The board of directors may provide, by resolution, the time and place, either within or without the State of New Hampshire, for the holding of regular meetings, which shall be held without other notice than such resolution. If so permitted by § 3.7, such meeting may be held by telephone.

§ 3.4 Special Meetings of the Board of Directors.

Special meetings of the board of directors may be called by or at the request of the president or any one director. The person authorized to call special meetings of the board of directors may fix any place, only within the county where this corporation has its principal office as the place for holding any special meeting of the board of directors, or if permitted by § 3.7, such meeting may be held by telephone.

§ 3.5 Notice of, and Waiver of Notice for, Special Director Meetings.

Unless the articles of incorporation provide for a longer or shorter period, notice of any special director meeting shall be given at least two (2) days previously thereto either orally or in writing. If mailed, notice of any director meeting shall be deemed to be effective at the earlier of: (1) when received; (2) five (5) days after deposited in the United States mail, addressed to the director's business office, with postage thereon prepaid; or (3) the date shown on the return receipt if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the director. Any director may waive notice of any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business and at the beginning of the meeting (or promptly upon his arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to action taken at the meeting. Unless required by the articles of incorporation, neither the business to be transacted at, nor the purpose of, any special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

§ 3.6 Director Quorum.

If bylaw § 3.2 establishes a fixed board size, a majority of the number of directors shall constitute a quorum for the transaction of business at any meeting of the board of directors, unless the articles of incorporation require a greater number.

If bylaw § 3.2 permits a variable-range size board (a board size set by resolution with a given range), a majority of the number of directors prescribed by resolution, (or if no number is prescribed, the number in office immediately before the meeting begins) shall constitute a quorum for the transaction of business at any meeting of the board of directors, unless the articles of incorporation require a greater number.

Any amendment to this quorum requirement is subject to the provisions of § 3.8 of this Article III.

§ 3.7 Directors, Manner of Acting.

The act of the majority the directors present at a meeting at which a quorum is present when the vote is taken shall be the act of the board of directors unless the articles of incorporation require a greater percentage. Any amendment which changes the number of directors needed to take action, is subject to the provisions of § 3.8 of this Article III.

Unless the articles of incorporation provide otherwise, any or all directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

A director who is present at a meeting of the board of directors or a committee of the board of directors when corporate action is taken is deemed to have assented to the action taken unless:

- (1) he objects at the beginning of the meeting (or promptly upon his arrival) to holding it or transacting business at the meeting;
- (2) his dissent or abstention from the action taken is entered in the minutes of the meeting; or
- (3) he delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting. The right of dissent or

abstention is not available to a director who votes in favor of the action taken.

§ 3.8 Establishing a "Supermajority" Quorum or Voting Requirement for the Board of Directors.

For purposes of this § 3.8, a "supermajority" quorum is a requirement that more than a majority of the directors in office constitute a quorum, and a "supermajority" voting requirement is any requirement that requires the vote of more than a majority of those directors present at a meeting at which a quorum is present to be the act of the directors.

A bylaw that fixes a supermajority quorum or supermajority voting requirement may be amended or repealed:

- (1) if originally adopted by the shareholders, only by the shareholders (unless otherwise provided by the shareholders);
- (2) if originally adopted by the board of directors, either by the shareholders or by the board of directors.

A bylaw adopted or amended by the shareholders that fixes a supermajority quorum or supermajority voting requirement for the board of directors may provide that it may be amended or repealed only by a specified vote of either the shareholders or the board of directors.

Subject to the provisions of the preceding paragraph, action by the board of directors to adopt, amend, or repeal a bylaw that changes the quorum or voting requirement for the board of directors must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirement then in effect or proposed to be adopted, whichever is greater.

§ 3.9 Director Action Without a Meeting.

Unless the articles of incorporation provide otherwise, any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if all the directors take the action, each one signs a written consent describing the action taken, and the consents are filed with the records of the corporation. Action taken by consents is effective when the last director signs the consent, unless the consent specifies a different effective date. A signed consent has the

effect of a meeting vote and may be described as such in any document.

§ 3.10 Removal of Directors.

The shareholders may remove one or more directors at a meeting called for that purpose if notice has been given that a purpose of the meeting is such removal. The removal may be with or without cause unless the articles provide that directors may only be removed for cause. If a director is elected by a voting group of shareholders, only the shareholders of that voting group may participate in the vote to remove him. If cumulative voting is authorized, a director may not be removed if the number of votes sufficient to elect him under cumulative voting is voted against his removal. If cumulative voting is not authorized, a director may be removed only if the number of votes cast to remove him exceeds the number of votes cast not to remove him.

§3.11 Board of Director Vacancies.

Unless the articles of incorporation provide otherwise, if a vacancy occurs on the board of directors, including a vacancy resulting from an increase in the number of directors, the shareholders may fill the vacancy. During such time that the shareholders fail or are unable to fill such vacancies then and until the shareholders act:

- (1) the board of directors may fill the vacancy;
- or
- (2) if the directors remaining in office constitute fewer than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office.

If the vacant office was held by a director elected by a voting group of shareholders, only the holders of shares of that voting group are entitled to vote to fill the vacancy if it is filled by the shareholders.

A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs, but the new director may not take office until the vacancy occurs.

The term of a director elected to fill a vacancy expires at the next shareholders' meeting at which directors are elected. However, if his term expires, he shall continue to serve until his successor is elected and qualified or until there is a decrease in the number of directors.

§ 3.12 Director Compensation.

Unless otherwise provided in the articles of incorporation, by resolution of the board of directors, each director may be paid his expenses, if any, of attendance at each meeting of the board of directors, and may be paid a stated salary as director or a fixed sum for attendance at each meeting of the board of directors or both. No such payment shall preclude any director from serving the corporation in any capacity and receiving compensation therefor.

§ 3.13 Director Committees.

- (a) *Creation of Committees.* Unless the articles of incorporation provide otherwise, the board of directors may create one or more committees and appoint members of the board of directors to serve on them. Each committee must have two (2) or more members, who serve at the pleasure of the board of directors.
- (b) *Selection of Members.* The creation of a committee and appointment of members to it must be approved by the greater of:
 - (1) a majority of all the directors in office when the action is taken; or
 - (2) the number of directors required by the articles of incorporation to take such action (or if not specified in the articles of incorporation, the number required by § 3.7 of this Article III to take action).
- (c) *Required Procedures.* §§ 3.4, 3.5, 3.6, 3.7, 3.8 and 3.9 of this Article III, which govern meetings, action without meetings, notice and waiver of notice, quorum and voting requirements of the board of directors, apply to committees and their members.
- (d) *Authority.* Unless limited by the articles of incorporation, each committee may exercise those aspects of the authority of the board of directors which the board of directors confers upon such committee in the resolution creating the committee.

Provided, however, a committee may not:

- (1) authorize distributions;

- (2) approve or propose to shareholders action that the New Hampshire Business Corporation Act requires be approved by shareholders;
- (3) fill vacancies on the board of directors or on any of its committees;
- (4) amend the articles of incorporation pursuant to the authority of directors to do so granted by §10.01 and §10.02 of the New Hampshire Business Corporation Act;
- (5) adopt, amend, or repeal bylaws;
- (6) approve a plan of merger not requiring shareholder approval;
- (7) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the board of directors; or
- (8) authorize or approve the issuance or sale or contract for sale of shares or determine the designation and relative rights, preferences, and limitations of a class or series of shares, except that the board of directors may authorize a committee (or a senior executive officer of the corporation) to do so within limits specifically prescribed by the board of directors.

ARTICLE IV. OFFICERS

§ 4.1 Number of Officers.

The officers of the corporation shall be a president, a secretary, and a treasurer, each of whom shall be appointed by the board of directors.

Such other officers and assistant officers as may be deemed necessary, including any vice-presidents, may be appointed by the board of directors. If specifically authorized by the board of directors, an officer may appoint one or more officers or assistant officers.

The same individual may simultaneously hold more than one office in the corporation.

§ 4.2 Appointment and Term of Office.

The officers of the corporation shall be appointed by the board of directors for a term as determined by the board of directors. (The designation of a specified term grants to the officer no contract rights [293-A:8.44(a)], and the board can remove the officer at any time prior to the termination of such term.) If no term is specified, they shall hold office until they resign, die, or until they are removed in the manner provided in § 4.3 of this Article IV.

§ 4.3 Removal of Officers.

Any officer or agent may be removed by the board of directors at any time, with or without cause. An officer's removal does not affect the officer's contract rights, if any, with the corporation and an officer's resignation does not affect the corporation's contract rights, if any, with the officer. Appointment of an officer or agent shall not of itself create contract rights.

§ 4.4 President.

The president shall be the principal executive officer of the corporation and, subject to the control of the board of directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, when present, preside at all meetings of the shareholders and of the board of directors. He may sign, with the secretary or any other proper officer of the corporation thereunto authorized by the board of directors, certificates for shares of the corporation and deeds, mortgages, bonds, contracts, or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors or by these bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

§ 4.5 The Vice-Presidents.

If appointed, in the absence of the president or in the event of his death, inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their appointment) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject

to all the restrictions upon the president. (If there is no vice-president, then the treasurer shall perform such duties of the president.) Any vice-president may sign, with the secretary or an assistant secretary, certificates for shares of the corporation the issuance of which have been authorized by resolution of the board of directors; and shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors.

§ 4.6 The Secretary.

The secretary shall: (a) keep the minutes of the proceedings of the shareholders and of the board of directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of the corporate records and of any seal of the corporation and if there is a seal of the corporation, see that it is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) when requested or required, authenticate any records of the corporation; (e) keep a register of the post office address of each shareholder which shall be furnished to the secretary by such shareholder; (f) sign with the president, or a vice-president, certificates for shares of the corporation, the issuance of which shall have been authorized by resolution of the board of directors; (g) have general charge of the stock transfer books of the corporation; and (h) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the board of directors.

§ 4.7 The Treasurer.

The treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the board of directors; and (c) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the board of directors shall determine.

§ 4.8 Assistant Secretaries and Assistant Treasurers.

The assistant secretaries, when authorized by the board of directors, may sign with the president or a vice-president certificates for shares of the corporation the issuance of which shall have been authorized by a resolution of the board of directors. Each assistant treasurer shall, if required by the board of directors, give a bond for the faithful discharge of his/her duties in such sums and with such sureties as the board of directors shall determine. The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or the treasurer, respectively, or by the president or the board of directors.

§ 4.9 Salaries.

The salaries, if any, of the officers shall be fixed from time to time by the board of directors.

ARTICLE V. INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES

§ 5.1 Indemnification of Directors.

Unless otherwise provided in the articles of incorporation, the corporation shall indemnify any individual made a party to a proceeding because he is or was a director of the corporation, against liability incurred in the proceeding, but only if the corporation has authorized the payment in accordance with § 8.55(c) of the New Hampshire Business Corporation Act, RSA 293-A, and a determination has been made in accordance with the procedures set forth in § 8.55(b) of said Act that the director met the standard of conduct in paragraph (a) below, subject to (b) and (c) below.

- (a) Standard of Conduct. The individual shall demonstrate that:
 - (1) he conducted himself in good faith; and
 - (2) he reasonably believed:
 - (i) in the case of conduct in his official capacity with the corporation, that his conduct was in its best interests; and

- (3) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.
- (b) No Indemnification Permitted in Certain Circumstances. The corporation shall not indemnify a director under this § 5.1 of Article V:
 - (1) in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation; or
 - (2) in connection with any other proceeding charging improper personal benefit to him, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.
- (c) Indemnification in Derivative Actions Limited. Indemnification permitted under this § 5.1 of Article V in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

§ 5.2 Advance Expenses for Directors.

If a determination is made, following the procedures of § 8.55(b) of RSA 293-A, that the director has met the requirements of (1), (2) and (3) below; and if an authorization of payment is made, following the procedures and standards set forth in § 8.55(c) of RSA 293-A, then, unless otherwise provided in the articles of incorporation, the company may pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding:

- (1) the director furnishes the corporation a written affirmation of his good faith belief that he has met the standard of conduct described in § 5.1 of this Article V;
- (2) the director furnishes the corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet the standard of conduct (which undertaking must be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment); and

- (3) a determination is made that the facts then known to those making the determination would not preclude indemnification under § 5.1 of this Article V or § 8.50 through § 8.58 of the New Hampshire Business Corporation Act.

§ 5.3 Indemnification of Officers, Agents, and Employees Who Are Not Directors.

Unless otherwise provided in the articles of incorporation, the board of directors may indemnify and advance expenses to any officer, employee, or agent of the corporation, who is not a director of the corporation, to the extent consistent with public policy, as determined by the general or specific action of the board of directors.

ARTICLE VI. CERTIFICATES FOR SHARES AND THEIR TRANSFER

§ 6.1 Certificates for Shares.

- (a) *Content.* Certificates representing shares of the corporation shall at minimum state on their face the name of the issuing corporation and that it is formed under the laws of New Hampshire; the name of the person to whom issued; and the number and class of shares and the designation of the series, if any, the certificate represents; and be in such form as determined by the board of directors.

Such certificates shall be signed (either manually or by facsimile) by the president or a vice-president and by the secretary or an assistant secretary and may be sealed with a corporate seal or a facsimile thereof. Each certificate for shares shall be consecutively numbered or otherwise identified.

- (b) *Legend as to Class or Series.* If the corporation is authorized to issue different classes of shares or different series within a class, the designations, relative rights, preferences, and limitations applicable to each class and the variations in rights, preferences, and limitations determined for each series (and the authority of the board of directors to determine variations for future series) must be summarized on the front or back of each certificate. Alternatively, each certificate may state conspicuously on its front or back that the corporation will furnish the shareholder this information on request in writing and without charge.

- (c) *Shareholder List.* The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation.
- (d) *Transferring Shares.* All certificates surrendered to the corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost, destroyed, or mutilated certificate a new one may be issued therefore upon such terms and indemnity to the corporation as the board of directors may prescribe.

§ 6.2 Shares Without Certificates.

- (a) *Issuing Shares Without Certificates.* Unless the articles of incorporation provide otherwise, the board of directors may authorize the issue of some or all the shares of any or all of its classes or series without certificates. The authorization does not affect shares already represented by certificates until they are surrendered to the corporation.
- (b) *Information Statement Required.* Within a reasonable time after the issue or transfer of shares without certificates, the corporation shall send the shareholder a written statement containing at minimum:
 - (1) the name of the issuing corporation and that it is organized under the law of this state;
 - (2) the name of the person to whom issued;
 - (3) the number and class of shares and the designation of the series, if any, of the issued shares; and
 - (4) if the corporation is authorized to issue different classes of shares or different series within a class, the written statement shall describe the designations, relative rights, preferences, and limitations applicable to each class and the variations in rights, preferences, and limitations determined for each series (and the authority of the board of directors to determine variations for future series).

§ 6.3 Registration of the Transfer of Shares.

Registration of the transfer of shares of the corporation shall be made only on the stock transfer books of the corporation. In order to register a transfer, the record owner shall surrender the shares to the corporation for cancellation, properly endorsed by the appropriate person or persons with reasonable assurances that the endorsements are genuine and effective. Unless the corporation has established a procedure by which a beneficial owner of shares held by a nominee is to be recognized by the corporation as the owner, the person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

§ 6.4 Restrictions on Transfer of Shares Permitted.

The board of directors (or shareholders) may impose restrictions on the transfer or registration of transfer of shares (including any security convertible into, or carrying a right to subscribe for or acquire, shares). A restriction does not affect shares issued before the restriction was adopted, unless the holders of the shares are parties to the restriction agreement or voted in favor of the restriction.

A restriction on the transfer or registration of transfer of shares may be authorized:

- (1) to maintain the corporation's status when it is dependent on the number or identity of its shareholders;
- (2) to preserve exemptions under federal or state securities law; or
- (3) for any other reasonable purpose.

A restriction on the transfer or registration of transfer of shares may:

- (1) obligate the shareholder first to offer the corporation or other persons (separately, consecutively, or simultaneously) an opportunity to acquire the restricted shares;
- (2) obligate the corporation or other persons (separately, consecutively, or simultaneously) to acquire the restricted shares;

- (3) require the corporation, the holders of any class of its shares, or any other person to approve the transfer of the restricted shares, if the requirement is not manifestly unreasonable; or
- (4) prohibit the transfer of the restricted shares to designated persons or classes of persons, if the prohibition is not manifestly unreasonable.

A restriction on the transfer or registration of transfer of shares is valid and enforceable against the holder or a transferee of the holder if the restriction is authorized by this section and its existence is noted conspicuously on the front or back of the certificate or is contained in the information statement required by § 6.2 of this Article VI with regard to shares issued without certificates. Unless so noted, a restriction is not enforceable against a person without knowledge of the restriction.

§ 6.5 Acquisition of Shares.

The corporation may acquire its own shares and, unless otherwise provided in the articles of incorporation, the shares so acquired constitute authorized but unissued shares.

If the articles of incorporation prohibit the reissue of acquired shares, the number of authorized shares is reduced by the number of shares acquired, effective upon amendment of the articles of incorporation, which amendment shall be adopted by the shareholders or the board of directors without shareholder action.

The articles of amendment must be delivered to the Secretary of State and must set forth:

- (1) the name of the corporation;
- (2) the reduction in the number of authorized shares, itemized by class and series; and
- (3) the total number of authorized shares, itemized by class and series, remaining after reduction of the shares.

ARTICLE VII. DISTRIBUTIONS

§ 7.1 Distributions.

The board of directors may authorize, and the corporation may make, distributions (including dividends on its outstanding shares) in the manner and upon the terms and conditions provided by law and in the corporation's articles of incorporation.

ARTICLE VIII. CORPORATE SEAL

§ 8.1 Corporate Seal.

The board of directors may provide a corporate seal which may be circular in form and have inscribed thereon any designation including the name of the corporation, "New Hampshire" as the state of incorporation, and the words "Corporate Seal."

ARTICLE IX. EMERGENCY BYLAWS

§ 9.1 Emergency Bylaws.

Unless the articles of incorporation provide otherwise, the following provisions of this Article IX, § 9.1 "Emergency Bylaws," shall be effective during an emergency which is defined as when a quorum of the corporation's directors cannot be readily assembled because of some catastrophic event.

During such emergency:

- (a) *Notice of Board Meetings.* Any one member of the board of directors or any one of the following officers: president, any vice-president, secretary, or treasurer, may call a meeting of the board of directors. Notice of such meeting need be given only to those directors whom it is practicable to reach, and may be given in any practical manner, including by publication and radio. Such notice shall be given at least six hours prior to commencement of the meeting.
- (b) *Temporary Directors and Quorum.* One or more officers of the corporation present at the emergency board meeting, as is necessary to achieve a quorum, shall be considered to be directors for the meeting, and shall so serve in order of rank, and within the same rank, in order of seniority. In the event that less than a

quorum (as determined by Article III, § 3.6) of the directors are present (including any officers who are to serve as directors for the meeting), those directors present (including the officers serving as directors) shall constitute a quorum.

- (c) *Actions permitted To Be Taken.* The board, as constituted in paragraph (b), and after notice as set forth in paragraph (a), may:
- (1) *Officers' Powers.* Prescribe emergency powers to any officer of the corporation;
 - (2) *Delegation of Any Power.* Delegate to any officer or director, any of the powers of the board of directors;
 - (3) *Lines of Succession.* Designate lines of succession of officers and agents, in the event that any of them are unable to discharge their duties;
 - (4) *Relocate Principal Place of Business.* Relocate the principal place of business, or designate successive or simultaneous principal places of business;
 - (5) *All Other Action.* Take any other action, convenient, helpful, or necessary to carry on the business of the corporation.

ARTICLE X. AMENDMENTS

§ 10.1 Amendments.

The corporation's board of directors may amend or repeal the corporation's bylaws unless:

- (1) the articles of incorporation or the New Hampshire Business Corporation Act reserve this power exclusively to the shareholders in whole or in part; or
- (2) the shareholders in adopting, amending, or repealing a particular bylaw provide expressly that the board of directors may not amend or repeal that bylaw; or
- (3) the bylaw either establishes, amends, or deletes, a supermajority shareholder quorum or voting requirement (as defined in § 2.8 of Article II).

Any amendment which changes the voting or quorum requirement for the board must comply with Article III, § 3.8, and for the shareholders, must comply with Article II, § 2.8.

The corporation's shareholders may amend or repeal the corporation's bylaws even though the bylaws may also be amended or repealed by its board of directors.

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